

SUWANNEE COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015

SUWANNEE COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015

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INTRODUCTORY SECTION

SUWANNEE COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2015

Title	Name
Board of County Commissioners	
District I	Jason Bashaw
District II	Clyde Fleming
District III	Ricky Gamble
District IV	Phil Oxendine
District V	Wesley Wainwright
Clerk of the Circuit Court	Barry A. Baker
Property Appraiser	Lamar Jenkins
Sheriff	Tony Cameron
Supervisor of Elections	Glenda B. Williams
Tax Collector	Sharon W. Jordan

COUNTY-WIDE FINANCIAL REPORT



Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

**To the Board of County Commissioners
and Constitutional Officers
Suwannee 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 Suwannee County, Florida, as of and for the fiscal year ended September 30, 2015, which collectively comprise Suwannee 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.

Auditor's 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 Suwannee 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 19 and budgetary comparison information on pages 70 through 79 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.

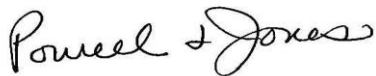
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Suwannee 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 information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2016 on our consideration of Suwannee 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 Suwannee County, Florida's internal control over financial reporting and compliance.

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

POWELL & JONES
Certified Public Accountants
April 29, 2016

SUWANNEE COUNTY, FLORIDA

Management's Discussion and Analysis

For the Fiscal Year Ended September 30, 2015

The County management's 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 ended September 30, 2015.

One of the key changes in financial presentation is the requirement to capitalize infrastructure assets and record depreciation. Consequently, significant changes have resulted in the reporting of fixed assets, long term liabilities, and fund balances.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of : 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The **Government-wide financial statements** present an overall picture of the County's financial position and results of operations. The **Fund financial statements** present financial information for the County's major funds. The **Notes to the financial statements** provide additional information concerning the County's finances that are not disclosed in the government-wide or fund financial statements.

Government-wide financial statements

The government-wide financial statements consist of the **statement of net 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 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 solid waste collection and disposal 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. For the proprietary funds, which include business-type activities, a **statement of net position**; a **statement of revenues, expenses, and changes in fund 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 \$67,369,126 (net position). Unrestricted net position for governmental activities was \$7,031,635, and for business-type activities was \$(475,687). Governmental Activities restricted net position was \$6,251,773, and was \$1,591,657 for Business-type Activities.

Total net position decreased by (\$1,350,866). Of that amount, (\$1,378,340) is attributable to Governmental Activities and an increase in net position \$27,474, is attributable to Business-type Activities. This decrease was primarily due to the implementation of GASB 68 which requires the County to record its proportionate share of the Florida State Retirement System's net pension liability.

Governmental Activities revenues increased \$1,846,709 to \$45,198,072. This 4% increase in revenue was due primarily to an increase in charges for services and sales tax revenues received during the year. Governmental expenses decreased by \$670,907 to \$39,479,064. This decrease in expense of 1.7% was primarily due to budgetary fiscal management.

Business-type activities revenues decreased 3% to \$2,859,661 while business-type expenses decreased 7.5% to \$2,519,997. This was primarily attributable to lower landfill postclosure 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 \$67,369,126.

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

	Governmental	Business-type	Total Government	
	Activities	Activities	2015	2014
Assets				
Current assets	\$ 29,198,543	\$ 2,849,426	\$ 32,047,969	\$ 26,496,504
Restricted assets	-	1,591,657	1,591,657	1,582,263
Non-current assets	57,341,256	1,707,602	59,048,858	52,409,744
Total assets	86,539,799	6,148,685	92,688,484	80,488,511
Deferred Outflows of Resources	3,029,621	80,707	3,110,328	-
Liabilities				
Current liabilities (payable from current assets)	2,837,091	383,094	3,220,185	2,831,921
Current liabilities (payable from restricted assets)	-	189,035	189,035	186,425
Non-current liabilities	19,927,240	2,773,498	22,700,738	8,750,173
Total liabilities	22,764,331	3,345,627	26,109,958	11,768,519
Deferred Inflows of Resources	2,259,535	60,193	2,319,728	-
Net Position				
Net assets, invested in capital assets, net of related debt	51,262,146	1,707,602	52,969,748	48,029,900
Net assets - restricted	6,251,773	1,591,657	7,843,430	7,403,670
Net assets - unrestricted	7,031,635	(475,687)	6,555,948	13,286,422
Total Net Position	<u>\$ 64,545,554</u>	<u>\$ 2,823,572</u>	<u>\$ 67,369,126</u>	<u>\$ 68,719,992</u>

79% 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 11.6% of the County's net position represents resources that are dedicated or subject to restrictions on how they may be used. Certain of these assets have only been restricted by action of the Board of County Commissioners and are subject to reclassification to unrestricted net position as required. The remaining balance of unrestricted net position \$6,555,948 may be used to meet the government's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net position. The increase in Governmental Activities net position is due primarily to a lower level of expenditures relating to the County's Catalyst Site economic development project. The Business-type Activities net position basically remained constant for the year.

	Changes in Net Position		Total Government	
	Governmental	Business-type		
	Activities	Activities	2015	2014
Revenues:				
Program Revenues				
Charges for services	\$ 9,562,550	\$ 2,725,226	\$ 12,287,776	\$ 11,783,523
Operating grants/ contributions	2,639,520	90,909	2,730,429	2,597,889
Capital grants/ contributions	5,156,041	-	5,156,041	4,916,473
General Revenues				
Property taxes	12,617,874	-	12,617,874	12,633,106
Sales and use taxes	6,365,293	-	6,365,293	5,540,064
Communications surtax	278,094	-	278,094	296,511
State shared revenues	7,488,985	-	7,488,985	7,230,632
Interest	47,099	12,328	59,427	38,859
Other	1,042,616	31,198	1,073,814	1,268,889
Total Revenues	<u>45,198,072</u>	<u>2,859,661</u>	<u>48,057,733</u>	<u>46,305,946</u>
Expenses:				
General government	7,550,991	-	7,550,991	7,995,764
Public safety	13,771,975	-	13,771,975	13,155,216
Physical environment	1,010,289	2,519,997	3,530,286	3,252,023
Transportation	8,766,148	-	8,766,148	8,563,913
Economic environment	837,608	-	837,608	2,495,124
Human services	1,335,161	-	1,335,161	1,589,701
Culture/recreation	4,273,611	-	4,273,611	4,062,334
Court related	1,804,276	-	1,804,276	1,715,367
Interest on long-term debt	129,005	-	129,005	45,613
Total Expenses	<u>39,479,064</u>	<u>2,519,997</u>	<u>41,999,061</u>	<u>42,875,055</u>
Transfers In (Out)	<u>(29,000)</u>	<u>29,000</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position from activities	<u>\$ 5,690,008</u>	<u>\$ 368,664</u>	<u>\$ 6,058,672</u>	<u>\$ 3,430,891</u>

Property taxes provide 28% of the revenues for Governmental Activities, while sales taxes provide 14%. Most of the Governmental Activities resources are spent for Public Safety (35%), General Government (19%), Physical Environment (2%), Transportation (22%), Economic Environment (2%) Culture/Recreation (11%) and Court Related (5%).

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 \$11,072,507 and total liabilities were \$497,894. The ending fund balance was \$10,574,613, \$6,550,167 of which is unassigned. Fund balance increased by \$2,658,235 during the year.

In the year ended September 30, 2015, total revenues of \$18,961,398, exceeded total expenditures of \$14,128,450 by \$4,832,948. A net amount of \$4,174,713 was also transferred to other funds for operational and capital related purposes. The proceeds of the County's revenue bond issue of \$2,000,000 were deposited into this fund for a resulting increase in the fund balance in the General Fund of \$2,658,235.

During the fiscal year, the County amended the General Fund budget by \$6,258,009, to adjust for a major economic development project and other construction projects that were not funded in the original budget. The County budgeted ad valorem taxes at 95% of the total tax levy, as allowed by State law; actual collections were 97%. Other revenues were approximately the same level as the prior year.

Other Governmental Funds

The *Road and Bridge (Transportation) Fund* accounts for motor fuel taxes designated for the annual maintenance of roads, bridges, right-of-way, drainage systems, etc. The County has the legal authority to levy ad valorem taxes for the Transportation Fund, but has elected not to do so. As of September 30, 2015, revenues exceeded expenditures and transfers in the amount of \$2,022,787. The ending fund balance was \$3,152,742.

The *Fine and Forfeiture Fund* accounts for expenditures relating to the judicial system and the funding of the operations of the Sheriff, a separate Constitutional Officer. Financing is provided by ad valorem and local option sales taxes, state shared revenues, and current related fines and fees. For the fiscal year ended September 30, 2015, expenditures and transfers were exceeded by revenues by \$62,184, increasing the fund balance to \$1,743,148.

The *Library Fund* accounts for expenditures relating to the operation of the Suwannee River Regional Library System, which includes the County library services. Financing is provided by state and local government grants and library related fees. For the fiscal year ended September 30, 2015, revenues exceeded expenditures by \$572,887.

The *Clerk Court Related 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. Expenditures for the year were \$1,184,473 all of which were funded by operating

revenues and a net transfer in of \$105,170.

The *Sheriff General Fund* is the operating fund of the Sheriff, a Constitutional Officer. The primary source of funds are transfers from the Board of County Commissioners Fine and Forfeiture Fund. Expenditures totaled \$8,054,595 for the year and by law this fund has no ending fund balance.

The *Reserve Capital Infrastructure Fund* is a capital projects fund established by the County to fund future infrastructure improvements. It was funded by an equity transfer from the former Hospital Investment Fund. In the current year, interest income of \$14,799 and a transfer out of \$35,000 brought the fund balance to \$4,282,628.

The *Road and Bridge Construction Fund* is a capital projects fund established by the County to fund road improvement projects throughout the County. It is funded by County-levied fuel taxes and had an ending fund balance of \$2,659,727.

The *Recreation Fund* accounts for the County's various recreation programs. It is funded by service charges and transfers from other funds and governments. It had an ending fund balance of \$236,699 at year end.

Proprietary Funds

The *Solid Waste Collection Fund* accounts for the revenues, expenses, assets, and liabilities associated with the County-operated solid waste collection service provided to residential and commercial customers within the County. This is operated like a business where the rates established by the County generate sufficient funds to pay the costs of current operations and provide for the accumulation of funding for capital asset acquisitions. Total assets as of September 30, 2015, were \$3,055,554, total liabilities were \$616,737, net deferred outflows and inflows of resources were \$16,013 and net position was \$2,454,830. Total revenue was \$1,271,370. The net income for the year was \$10,588. A prior period adjustment to net position of (\$266,320) reduced net position to \$2,454,830.

The *Solid Waste Disposal Fund* accounts for the revenues, expenses, assets, and liabilities associated with the County operated solid waste disposal services. This fund is substantially financed by tipage fees and special assessments charged to users of the services. Total assets as of September 30, 2015, were \$3,107,728, total liabilities were \$2,753,828, net deferred outflows and inflows of resources were \$4,501 and net position was \$358,401. Total revenue was \$1,588,279.

The Water Plant Fund accounts for the revenues, expenses, assets and liabilities associated with the County operated water plant. This fund earned only \$12 of interest income and incurred \$18,671 of expenses during the year. An interfund operating transfer in of \$29,000 brought net position to \$10,341.

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2015, was \$59,048,858 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. In previous years, general fixed assets were recorded at cost or fair market value at the time of acquisition. Depreciation was not recognized for governmental activities.

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

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

Capital Assets

	Governmental	Business-type	Totals	
	Activities	Activities	2015	2014
Land and improvements	\$ 7,664,303	\$ 5,403,338	\$ 13,067,641	\$ 12,774,087
Construction in progress	4,610,839	-	4,610,839	4,150,690
Infrastructure	52,256,879	-	52,256,879	50,177,923
Buildings and improvements	23,049,784	-	23,049,784	20,934,883
Equipment	19,670,359	3,032,366	22,702,725	22,979,495
Total	107,252,164	8,435,704	115,687,868	111,017,078
Less accumulated depreciation	(49,910,908)	(6,728,102)	(56,639,010)	(58,607,334)
Total	<u>\$57,341,256</u>	<u>\$ 1,707,602</u>	<u>\$59,048,858</u>	<u>\$52,409,744</u>

DEBT MANAGEMENT

Government Activities Debt

New debt of \$2,000,000 was issued during the year related to the County's administrative complex project. A total of \$300,734 in principal reductions were made on governmental activities debt, leaving the following balances at September 30, 2015:

	2015	2014
Bank notes	\$ 30,000	\$ 40,000
Revenue bonds	6,049,110	4,339,844
	<u>\$6,079,110</u>	<u>\$ 4,379,844</u>

OTHER FINANCIAL INFORMATION

Economic Factors and Next Year's Budget

- The current unemployment rate for the County, was 5.5%. This was a decrease from the prior fiscal year.
- The official estimated population for the County in 2015 was 44,168, and is estimated to be 47,520 by the end of 2020.
- The ad valorem tax millage rate for the County was 9.00 mills in 2015, which was the same as the prior year.

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 Clerk of the Circuit Court, 200 S. Ohio Ave., Live Oak, Florida 32064, or by calling (386) 362-0545.

BASIC FINANCIAL STATEMENTS

SUWANNEE COUNTY, FLORIDA

STATEMENT OF NET POSITION September 30, 2015

	Governmental Activities	Business - type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 21,133,275	\$ 2,789,809	\$ 23,923,084
Accounts receivable - net	424,819	76,362	501,181
Internal balances	25,353	(25,353)	-
Due from agency funds	42,719	1,273	43,992
Due from other governmental units	2,292,795	7,335	2,300,130
Prepaid expenses	3,830	-	3,830
Investments	5,275,752	-	5,275,752
Total current assets	<u>29,198,543</u>	<u>2,849,426</u>	<u>32,047,969</u>
Restricted assets:			
Investments	-	1,591,657	1,591,657
Total restricted assets	<u>-</u>	<u>1,591,657</u>	<u>1,591,657</u>
Noncurrent assets:			
Capital assets - net	57,341,256	1,707,602	59,048,858
Total assets	<u>86,539,799</u>	<u>6,148,685</u>	<u>92,688,484</u>
DEFERRED OUTFLOWS OF RESOURCES			
Florida State Retirement pension liability	<u>3,029,621</u>	<u>80,707</u>	<u>3,110,328</u>
LIABILITIES			
Current liabilities (payable from current assets):			
Accounts payable	474,325	251,365	725,690
Accrued salaries	322,335	7,515	329,850
Accrued liabilities	350,931	1,057	351,988
Due to agency funds	87	-	87
Due to other governmental units	162,286	-	162,286
Unearned revenues	34,559	-	34,559
Deposits	-	99,023	99,023
Accrued compensated absences	338,554	9,625	348,179
Current portion notes payable	10,000	-	10,000
Current portion revenue bonds payable	553,114	-	553,114
Current portion FRS pension liability	544,639	14,509	559,148
Other current liabilities	46,261	-	46,261
Total current liabilities (payable from current assets)	<u>2,837,091</u>	<u>383,094</u>	<u>3,220,185</u>
Current liabilities (payable from restricted assets)			
Landfill postclosure costs	-	189,035	189,035
Total current liabilities (payable from restricted assets)	<u>-</u>	<u>189,035</u>	<u>189,035</u>
Noncurrent liabilities			
Accrued compensated absences	1,918,471	54,540	1,973,011
OPEB obligation	137,000	-	137,000
Landfill post-closure costs	-	2,389,810	2,389,810
Revenue bonds payable	5,495,996	-	5,495,996
Notes payable	20,000	-	20,000
FRS pension liability	12,355,773	329,148	12,684,921
Total long-term liabilities	<u>19,927,240</u>	<u>2,773,498</u>	<u>22,700,738</u>
Total liabilities	<u>22,764,331</u>	<u>3,345,627</u>	<u>26,109,958</u>
(Continued)			

SUWANNEE COUNTY, FLORIDA

STATEMENT OF NET POSITION

September 30, 2015

	<u>Governmental Activities</u>	<u>Business - type Activities</u>	<u>Total</u>
DEFERRED INFLOWS OF RESOURCES	\$ 2,259,535	\$ 60,193	\$ 2,319,728
NET POSITION			
Invested in capital assets, net of related debt	51,262,146	1,707,602	52,969,748
Restricted for:			
Road projects	2,659,727	-	2,659,727
Other purposes	3,592,046	1,591,657	5,183,703
Unrestricted	7,031,635	(475,687)	6,555,948
Total net position	\$ 64,545,554	\$ 2,823,572	\$ 67,369,126

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2015**

		Program Services			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Functions/Programs	Expenses						
Governmental Activities							
General Government	\$ 7,550,991	\$ 1,328,269	\$ 8,413	\$ -	\$ (6,214,309)	\$ -	\$ (6,214,309)
Public Safety	13,771,975	3,722,764	606,013	356,425	(9,086,773)	-	(9,086,773)
Physical Environment	1,010,289	53,527	6,072	1,823,077	872,387	-	872,387
Transportation	8,766,148	782,373	108,643	2,873,414	(5,001,718)	-	(5,001,718)
Economic Environment	837,608	14,500	470,102	-	(353,006)	-	(353,006)
Human Services	1,335,161	-	215,351	-	(1,119,810)	-	(1,119,810)
Culture/recreation	4,273,611	2,413,284	1,224,926	103,125	(532,276)	-	(532,276)
Court related	1,804,276	1,247,833	-	-	(556,443)	-	(556,443)
Interest on long-term debt	129,005	-	-	-	(129,005)	-	(129,005)
Total governmental activities	39,479,064	9,562,550	2,639,520	5,156,041	(22,120,953)	-	(22,120,953)
Business - type activities							
Physical Environment							
Solid Waste	2,519,997	2,725,226	90,909	-	-	296,138	296,138
Total government	41,999,061	12,287,776	2,730,429	5,156,041	(22,120,953)	296,138	(21,824,815)
General revenues							
Ad valorem taxes					12,617,874	-	12,617,874
Sales and use taxes					6,365,293	-	6,365,293
Communications service tax					278,094	-	278,094
State shared revenue					7,488,985	-	7,488,985
State payments in lieu of taxes					17,669	-	17,669
Interest					47,099	12,328	59,427
Miscellaneous					638,860	31,198	670,058
Net gain on disposition of fixed assets					386,087	-	386,087
Transfers in (out)					(29,000)	29,000	-
Total general revenue					27,810,961	72,526	27,883,487
Change in net position					5,690,008	368,664	6,058,672
Net position - beginning					65,923,894	2,796,098	68,719,992
Prior period adjustments					(7,068,348)	(341,190)	(7,409,538)
Net position - ending					\$ 64,545,554	\$ 2,823,572	\$ 67,369,126

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2015**

	Special Revenue Funds						Capital Projects Funds				
	General Fund	Road and Bridge	Fine and Forfeiture	Library	Recreation	Clerk of Circuit Court Court Related	Sheriff Operating	Reserve Capital Infrastructure	Road and Bridge Construction	Other Governmental Funds	Total Governmental Funds
ASSETS											
Current assets											
Cash	\$ 8,285,694	\$ 2,674,038	\$ 916,673	\$ 2,030,902	\$ 244,314	\$ 166,785	\$ 338,638	\$ 53,654	\$ 2,659,727	\$ 3,762,850	\$ 21,133,275
Accounts receivable	414,064	20	-	-	-	-	-	-	-	10,735	424,819
Due from other funds	174,530	38,385	349,891	29	-	28,122	-	-	-	83,656	674,613
Advances to other funds	286,125	-	-	-	-	-	-	-	-	-	286,125
Due from other governmental units	865,316	646,846	518,106	-	96,490	-	20,199	-	-	145,838	2,292,795
Prepaid insurance	-	-	-	-	-	-	-	-	-	3,830	3,830
Investments	1,046,778	-	-	-	-	-	-	4,228,974	-	-	5,275,752
Total assets	\$ 11,072,507	\$ 3,359,289	\$ 1,784,670	\$ 2,030,931	\$ 340,804	\$ 194,907	\$ 358,837	\$ 4,282,628	\$ 2,659,727	\$ 4,006,909	\$ 30,091,209
LIABILITIES AND FUND BALANCES											
LIABILITIES											
Accounts payable	\$ 93,668	\$ 148,701	\$ 26,910	\$ 20,559	\$ 93,455	\$ 5,320	\$ 82	\$ -	\$ -	\$ 85,630	\$ 474,325
Accrued wages	45,078	22,298	-	12,265	4,605	8,300	-	-	-	229,789	322,335
Other accrued liabilities	341,423	3,314	-	1,980	799	-	-	-	-	3,415	350,931
Due to other funds	12,003	32,234	-	18,184	5,246	33,242	330,195	-	-	175,524	606,628
Due to other governmental units	-	-	14,612	-	-	112,102	-	-	-	35,572	162,286
Unearned revenues	-	-	-	341	-	-	28,560	-	-	5,658	34,559
Other current liabilities	5,722	-	-	-	-	35,943	-	-	-	4,596	46,261
Advances from other funds	-	-	-	-	-	-	-	-	-	286,125	286,125
Total liabilities	497,894	206,547	41,522	53,329	104,105	194,907	358,837	-	-	826,309	2,283,450
FUND BALANCES											
Nonspendable:											
Prepaid expenses	3,830	-	-	-	-	-	-	-	-	-	3,830
Advances from other funds	286,125	-	-	-	-	-	-	-	-	-	286,125
Restricted	73,880	-	-	1,977,602	-	-	-	-	2,659,727	1,540,564	6,251,773
Assigned	1,881,427	3,152,742	1,743,148	-	236,699	-	-	-	-	256,721	7,270,737
Committed	1,779,184	-	-	-	-	-	-	4,282,628	-	1,148,477	7,210,289
Unassigned	6,550,167	-	-	-	-	-	-	-	-	234,838	6,785,005
Total fund balances	10,574,613	3,152,742	1,743,148	1,977,602	236,699	-	-	4,282,628	2,659,727	3,180,600	27,807,759
Total liabilities and fund balances	\$ 11,072,507	\$ 3,359,289	\$ 1,784,670	\$ 2,030,931	\$ 340,804	\$ 194,907	\$ 358,837	\$ 4,282,628	\$ 2,659,727	\$ 4,006,909	

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, therefore, are not reported in the funds.

57,341,256

Long-term liabilities, including notes payable of \$30,000, revenue bonds payable of \$6,049,110, compensated absences of \$2,257,025, OPEB obligation \$137,000 and pension liability of \$12,900,412 are not due and payable in the current period and therefore are not reported in the funds.

(21,373,547)

Deferred outflows of resources of \$3,029,621 and deferred inflows of resources of (\$2,259,535) are not recognized in the current period and therefore are not reported in the funds

770,086

Net position of governmental activities

\$ 64,545,554

See notes to financial statements.

**SUWANNEE 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	Road and Bridge	Fine and Forfeiture	Library	Recreation	Clerk of Circuit Court Court Related	Sheriff Operating	Reserve Capital Infrastructure	Road and Bridge Construction	Other Governmental Funds	Total Governmental Funds
REVENUES											
Taxes	\$ 7,550,617	\$ 2,915,345	\$ 8,617,119	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,535	\$ 172,638	\$ 19,261,254
Special assessments	-	-	-	-	-	-	-	-	-	1,592,963	1,592,963
Licenses and permits	33,427	7,180	-	-	-	-	-	-	-	186,522	227,129
Intergovernmental	8,299,342	3,872,926	432,750	2,423,392	307,228	176,495	87,060	-	-	1,137,753	16,736,946
Charges for services	1,789,022	472,333	132,025	110,000	234,088	758,640	19,470	-	-	1,486,982	5,002,560
Fines and forfeitures	17,019	-	95,700	25,738	-	128,387	-	-	-	44,874	311,718
Miscellaneous	1,257,905	1,704	46,400	71,031	28,557	10,300	13,986	-	4,000	172,433	1,606,316
Interest	14,066	1,513	-	-	-	5,481	-	14,799	2,746	8,494	47,099
Total revenues	18,961,398	7,271,001	9,323,994	2,630,161	569,873	1,079,303	120,516	14,799	12,281	4,802,659	44,785,985
EXPENDITURES											
Current expenditures											
General government	3,840,275	-	23,434	-	-	-	-	-	-	3,464,411	7,328,120
Public safety	4,299,336	-	428,325	-	-	-	7,706,662	-	-	1,205,075	13,639,398
Physical environment	952,628	-	-	-	-	-	-	-	-	-	952,628
Transportation	230,347	5,151,841	-	-	-	-	-	-	161,709	-	5,543,897
Economic environment	306,680	-	-	-	-	-	-	-	-	530,615	837,295
Human services	1,328,328	-	-	-	-	-	-	-	-	-	1,328,328
Culture / recreation	113,045	-	-	2,988,768	1,050,988	-	-	-	-	-	4,152,801
Court related	-	-	326,035	-	-	1,184,473	-	-	-	293,768	1,804,276
Capital outlay											
General government	426,646	-	-	-	-	-	-	-	-	71,632	498,278
Public safety	238,779	-	-	-	-	-	347,933	-	-	86,468	673,180
Physical environment	3,497	-	-	-	-	-	-	-	-	-	3,497
Transportation	70,269	2,413,231	-	-	-	-	-	-	-	-	2,483,500
Economic environment	1,899,256	-	-	-	-	-	-	-	-	-	1,899,256
Culture / recreation	-	-	-	140,596	170,286	-	-	-	-	-	310,882
Court related	-	-	4,520	-	-	-	-	-	-	-	4,520
Debt service											
Principal	290,734	-	-	-	10,000	-	-	-	-	-	300,734
Interest	128,630	-	-	-	-	-	-	-	-	375	129,005
Total expenditures	14,128,450	7,565,072	782,314	3,129,364	1,231,274	1,184,473	8,054,595	-	161,709	5,652,344	41,889,595
Excess of revenues over (under) expenditures	4,832,948	(294,071)	8,541,680	(499,203)	(661,401)	(105,170)	(7,934,079)	14,799	(149,428)	(849,685)	2,896,390
OTHER FINANCING SOURCES (USES)											
Proceeds of long-term debt	2,000,000	-	-	-	-	-	-	-	-	-	2,000,000
Sale of fixed assets	-	858,608	-	-	-	-	-	-	-	-	858,608
Interfund transfers in	1,145,173	1,458,250	-	1,072,090	659,989	298,962	7,934,079	-	-	2,690,063	15,258,606
Interfund transfers out	(5,319,886)	-	(8,479,496)	-	-	(193,792)	-	(35,000)	-	(1,259,432)	(15,287,606)
Total other financing sources (uses)	(2,174,713)	2,316,858	(8,479,496)	1,072,090	659,989	105,170	7,934,079	(35,000)	-	1,430,631	2,829,608
Net change in fund balances	2,658,235	2,022,787	62,184	572,887	(1,412)	-	-	(20,201)	(149,428)	580,946	5,725,998
Fund balances at beginning of year	7,916,378	1,129,955	1,680,964	1,404,715	238,111	-	-	4,302,829	2,809,155	2,599,654	22,081,761
Fund balances at end of year	\$ 10,574,613	\$ 3,152,742	\$ 1,743,148	\$ 1,977,602	\$ 236,699	\$ -	\$ -	\$ 4,282,628	\$ 2,659,727	\$ 3,180,600	\$ 27,807,759
See notes to financial statements.											

SUWANNEE 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		\$ 5,725,998
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	\$ 5,873,113	
Disposition of fixed assets	(472,521)	
Other reclassifications and additions	(13,262)	
Less current year depreciation	<u>(4,556,758)</u>	
		830,572
Proceeds of revenue bonds are revenue in the governmental funds, but the proceeds are classified as debt in the statement of activities		
Proceeds of issuance of revenue bonds		(2,000,000)
Repayments of loan principal and capital lease payments are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets		
Notes payable principal payments	10,000	
Revenue bond principal payments	<u>290,734</u>	300,734
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		155,229
FRS pension current net change in liability and deferred inflows and outflows of resources		<u>677,475</u>
Change in net position Statement of Activities		<u>\$ 5,690,008</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
STATEMENT OF NET POSITION**

PROPRIETARY FUND TYPES

September 30, 2015

	Business Type Activities			
	Enterprise Funds			
	Solid Waste Collection	Solid Waste Disposal	Water Plant	Total
ASSETS				
Current assets				
Cash	\$ 1,687,037	\$ 1,091,503	\$ 11,269	\$ 2,789,809
Accounts receivable	3,341	103,707	-	107,048
Allowance for doubtful accounts	(334)	(30,352)	-	(30,686)
Due from agency funds	1,273	-	-	1,273
Due from other funds	29	484	-	513
Due from other governmental units	4,311	3,024	-	7,335
Total current assets	1,695,657	1,168,366	11,269	2,875,292
Restricted assets				
Investments	-	1,591,657	-	1,591,657
Noncurrent assets				
Land	93,575	193,215	-	286,790
Buildings and improvements	1,452,403	3,664,145	-	5,116,548
Equipment	2,448,748	583,618	-	3,032,366
Allowance for depreciation	(2,634,829)	(4,093,273)	-	(6,728,102)
Total noncurrent assets	1,359,897	347,705	-	1,707,602
Total assets	3,055,554	3,107,728	11,269	6,174,551
DEFERRED OUTFLOWS OF RESOURCES	62,997	17,710	-	80,707
LIABILITIES AND NET POSITION				
LIABILITIES				
Current liabilities (payable from current assets)				
Accounts payable	239,637	10,800	928	251,365
Wages payable	6,267	1,248	-	7,515
Accrued payroll liabilities	887	170	-	1,057
Due to other funds	20,736	5,130	-	25,866
Deposits	25,979	73,044	-	99,023
Accrued compensated absences	8,248	1,377	-	9,625
Current portion FRS pension liability	11,325	3,184	-	14,509
Total current liabilities (payable from current assets)	313,079	94,953	928	408,960
Current liabilities (payable from restricted assets)				
Landfill postclosure costs	-	189,035	-	189,035
Total current liabilities (payable from restricted assets)	-	189,035	-	189,035

(continued)

**SUWANNEE COUNTY FLORIDA
STATEMENT OF NET POSITION**

PROPRIETARY FUND TYPES

September 30, 2015

	Business Type Activities			
	Enterprise Funds			
	Solid Waste Collection	Solid Waste Disposal	Water Plant	Total
Noncurrent liabilities				
Accrued compensated absences	\$ 46,738	\$ 7,802	\$ -	\$ 54,540
Estimated liability for landfill closure	-	2,389,810	-	2,389,810
FRS pension liability	256,920	72,228	-	329,148
Total noncurrent liabilities	303,658	2,469,840	-	2,773,498
Total liabilities	616,737	2,753,828	928	3,371,493
DEFERRED INFLOWS OF RESOURCES	46,984	13,209	-	60,193
NET POSITION				
Invested in capital assets, net of related debt	1,359,897	347,705	-	1,707,602
Unrestricted	1,094,933	10,696	10,341	1,115,970
Total net position	2,454,830	358,401	10,341	2,823,572
	\$ 3,071,567	\$ 3,112,229	\$ 11,269	\$ 6,195,065

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION PROPRIETARY FUND TYPES For the Fiscal Year Ended September 30, 2015

	Business Type Activities			
	Enterprise Funds			
	Solid Waste	Solid Waste	Water	
	Collection	Disposal	Plant	Total
OPERATING REVENUES				
Physical environment				
State grants	\$ -	\$ 90,909	\$ -	\$ 90,909
Charges for services	80,484	763,599	-	844,083
Container rental	7,729	-	-	7,729
Miscellaneous	23,469	-	-	23,469
Total operating revenues	111,682	854,508	-	966,190
OPERATING EXPENSES				
Garbage, solid waste and water services				
Personnel services				
Salaries	557,141	124,619	-	681,760
Employee benefits	228,386	55,881	-	284,267
Total personnel services	785,527	180,500	-	966,027
Operating expenses				
Professional and contractual services	35,250	937,426	5,514	978,190
Communications	12,708	-	560	13,268
Utility services	13,126	-	1,409	14,535
Rental and leases	2,359	-	-	2,359
Insurance	80,130	10,211	-	90,341
Repairs and maintenance	98,643	51,024	4,150	153,817
Supplies	97,360	23,030	6,797	127,187
Miscellaneous	-	807	241	1,048
Depreciation	135,679	37,546	-	173,225
Total operating expenses	475,255	1,060,044	18,671	1,553,970
Total garbage, solid waste and water services	1,260,782	1,240,544	18,671	2,519,997
Operating (loss)	(1,149,100)	(386,036)	(18,671)	(1,553,807)
NONOPERATING REVENUES (EXPENSES)				
Interest	1,832	10,484	12	12,328
Special assessments	1,206,780	723,287	-	1,930,067
Tax Collector fees	(48,924)	-	-	(48,924)
Total nonoperating revenues (expenses)	1,159,688	733,771	12	1,893,471
Net income (loss)	10,588	347,735	(18,659)	339,664
Operating transfers in	-	-	29,000	29,000
Net position beginning of year	2,710,562	85,536	-	2,796,098
Prior period adjustment	(266,320)	(74,870)	-	(341,190)
Net position end of year	\$ 2,454,830	\$ 358,401	\$ 10,341	\$ 2,823,572

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2015

	Business Type Activities			
	Enterprise Funds			
	Solid Waste Collection Fund	Solid Waste Disposal Fund	Water Plant Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from State grants	\$ -	\$ 87,705	\$ -	\$ 87,705
Cash received from customers and users	119,318	768,774	-	888,092
Cash payments to employees and benefits	(808,574)	(191,256)	-	(999,830)
Cash payments for operating expenses	(122,770)	(1,187,573)	(17,743)	(1,328,086)
Net cash used for operating activities	(812,026)	(522,350)	(17,743)	(1,352,119)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers In	-	-	29,000	29,000
Cash received from special and service assessments net of collection fees	1,157,856	723,287	-	1,881,143
Net cash provided by noncapital financing activities	1,157,856	723,287	29,000	1,910,143
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of plant, property and equipment	(242,315)	-	-	(242,315)
Net cash used for capital and related financing activities	(242,315)	-	-	(242,315)
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in investments	-	(9,393)	-	(9,393)
Interest revenue	1,832	10,484	12	12,328
Net cash provided by investing activities	1,832	1,091	12	2,935
Net increase in cash and cash equivalents	105,347	202,028	11,269	318,644
Cash and cash equivalents - beginning of year	1,581,690	889,475	-	2,471,165
Cash and cash equivalents - end of year	\$ 1,687,037	\$ 1,091,503	\$ 11,269	\$ 2,789,809

(continued)

SUWANNEE COUNTY, FLORIDA

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2015

	Business Type Activities			
	Enterprise Funds			
	Solid	Solid	Water	
	Waste	Waste	Plant	
	Collection	Disposal		
	Fund	Fund	Fund	Totals
RECONCILIATION OF OPERATING LOSS TO				
NET CASH USED FOR OPERATING ACTIVITIES				
Operating (loss)	\$ (1,149,100)	\$ (386,036)	\$ (18,671)	\$ (1,553,807)
Adjustments to reconcile operating loss to				
net cash used for operating activities:				
Depreciation	135,679	37,546	-	173,225
Changes in assets and liabilities				
Decrease (increase) in:				
Accounts receivable	5,421	5,133	-	10,554
Due from other funds	(575)	(208)	-	(783)
Due from other governmental units	904	(3,204)	-	(2,300)
Increase (decrease) in :				
Accounts payable	229,001	(15,781)	928	214,148
Wages payable	(15,924)	(3,300)	-	(19,224)
Accrued payroll liabilities	(2,302)	(507)	-	(2,809)
Due to other funds	(12,195)	1,526	-	(10,669)
Deposits	1,886	250	-	2,136
Accrued compensated absences	9,267	(2,990)	-	6,277
Estimated liability in landfill closure	-	(150,820)	-	(150,820)
Contributions to FRS pension net of current year expenses	(14,088)	(3,959)	-	(18,047)
Total adjustments	337,074	(136,314)	928	201,688
Net cash used for operating activities	\$ (812,026)	\$ (522,350)	\$ (17,743)	\$ (1,352,119)

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION

AGENCY FUNDS
September 30, 2015

	Board of County Commis- sioners	Clerk of the Circuit Court				Sheriff			Supervisor of Elections	Tax Collector		
	State Attorney	Domestic Relations	Registry of Court	Tax Deed	Bond and Fine	Civil Depositors	Inmate Welfare	Evidence Trust	Agency	Ad Valorem Tax	Tag Agency	Totals
ASSETS												
Cash	\$ 117,361	\$ -	\$ 419,883	\$ 149,322	\$ 60,058	\$ 3,176	\$ 37,241	\$ 29,178	\$ 1,400	\$ 532,844	\$ 123,992	\$ 1,474,455
Accounts receivable	-	129	-	-	-	-	152,996	-	-	-	1,546	154,671
Due from other funds	-	8	70	9	-	-	-	-	-	-	-	87
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	750	750
Total assets	\$ 117,361	\$ 137	\$ 419,953	\$ 149,331	\$ 60,058	\$ 3,176	\$ 190,237	\$ 29,178	\$ 1,400	\$ 532,844	\$ 126,288	\$ 1,629,963
LIABILITIES												
Accounts payable	\$ 3,527	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,315	\$ 12	\$ 26,854
Cash bond liability	-	-	-	-	60,058	-	-	-	-	-	-	60,058
Due to individuals	-	125	89,938	-	-	-	-	-	-	43,342	144	133,549
Deposits held in escrow	-	-	330,015	149,331	-	-	-	29,178	-	-	-	508,524
Due to other funds	-	12	-	-	-	2,193	7,691	-	-	9,865	24,231	43,992
Due to other governmental units	113,834	-	-	-	-	-	9,666	-	-	9,725	183	133,408
Installments payable	-	-	-	-	-	-	-	-	-	438,774	-	438,774
Other current liabilities	-	-	-	-	-	983	172,880	-	1,400	7,823	101,718	284,804
Total liabilities	117,361	137	419,953	149,331	60,058	3,176	190,237	29,178	1,400	532,844	126,288	1,629,963
NET POSITION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Suwannee 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 Board is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Board is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Board. The Board may be financially accountable if an organization is fiscally dependent on the Board regardless of whether the organization has (a) separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, County

management examined all organizations which are legally separate in order to determine which organizations, if any, should be included in the County's financial statements. Management determined that there are no organizations that should be included in the County's financial statements as component units under current accounting pronouncements.

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
- Required supplementary information

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 units), as well as its discretely presented component units. 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 another 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 "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, proprietary, and fiduciary 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. The fiduciary statement includes financial information for the agency fund. The agency funds of the County primarily represent assets held by the County in a custodial capacity for other individuals or governments.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and 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 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 non-current portions of long-term receivables (special assessments) due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

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

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

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as another 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 enterprise funds 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 position. 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 another 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 non-major 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.

Road and Bridge Fund - The Road and Bridge 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.

Fine and Forfeiture Fund - The Fine and Forfeiture Fund accounts for expenditures relating to the judicial system and the funding of the operations of the Sheriff, a separate Constitutional Officer. Financing is provided by ad valorem and local option sales taxes, state shared revenues, and current related fines and fees.

Library Fund - The Library Fund accounts for expenditures relating to the operation of the Suwannee River Regional Library System, which includes the County library services. Financing is provided by state and local government grants and library related fees.

Recreation Fund - The Recreation Fund accounts for revenues and expenditures associated with the County's various recreation programs.

Clerk of Circuit Court Related Fund - The Clerk of Circuit Court Related Fund is the general operating fund of the Clerk of the Circuit Court, a Constitutional Officer. It is used to account for all financial resources and expenditures of the court related operations of the Clerk.

Sheriff Operating Fund - The Sheriff Operating Fund is the general operating fund of the Sheriff, a Constitutional Officer. It is used to account for all financial resources and expenditures of the Sheriff, except those required to be accounted for in another fund.

Reserve Capital Infrastructure Fund - The Reserve Capital Infrastructure Fund is a capital projects reserve fund established by the Board to fund future infrastructure improvements. It was funded by an equity transfer from the former Hospital Investment Fund.

Road and Bridge Construction Fund - The Road and Bridge Construction Fund is a capital projects fund established by the Board to fund road and bridge construction and improvements.

2. Proprietary Funds:

Solid Waste Collection Fund - The Solid Waste Collection Fund accounts for the revenues, expenses, assets, and liabilities associated with the County-operated solid waste collection service provided to residential and commercial customers within the County.

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

Water Plant Fund - The Water Plant Fund accounts for the revenues, expenses, assets and liabilities associated with the County operated water plant.

3. Non-current Governmental Assets/Liabilities:

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as general obligation bonds and capital leases, be reported in the governmental activities column in the government-wide statement of net 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 all 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 include bank certificates of deposit, which are fully insured by depository insurance and pledged collateral.

3. Allowance for Doubtful Accounts

The County provides an allowance for Solid Waste Collection and Solid Waste Disposal accounts receivable that may become uncollectible. At September 30, 2015, this allowance was \$334 for the Solid Waste Collection Fund and \$30,352 for the Solid Waste Disposal Fund. 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. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$1,000 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. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

The Board of County Commissioners 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 are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and improvements	7 - 40
Machinery and equipment	5 - 20
Road and bridge infrastructure	40 - 50

8. Capitalization of Interest

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

9. Unearned Revenues

Unearned revenues reported in government-wide financial statements represent revenues that have been received by the County but for which the legal requirements necessary to earn the revenues have not been met. The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues reported in governmental fund financial statements represent unearned revenues or revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned revenues.

10. 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 non-current portion is the amount estimated to be used in subsequent fiscal years. Both the current and non-current estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentation.

11. 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. Management believes the County has no arbitrage liability outstanding as of September 30, 2015.

12. 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 thirty 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 Solid Waste Disposal Fund.

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 \$27,807,759 differs from “net position” of governmental activities \$64,545,554 reported in the statement of net position. This difference primarily results from the long-term economic 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 costs 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	\$ 107,252,164
Accumulated depreciation	(49,910,908)
Total	<u>\$ 57,341,256</u>

Long-term debt transactions

Long-term liabilities applicable to the County’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances at September 30, 2015, were:

Notes payable	\$ 30,000
Revenue bonds payable	6,049,110
Compensated absences	2,257,025
OPEB obligation	137,000
FRS pension liability	12,900,412
Total	<u>\$21,373,547</u>

Deferred outflows/inflows of resources

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

Deferred outflows of resources	\$ 3,029,621
Deferred inflows of resources	(2,259,535)
	<u>\$ 770,086</u>

Elimination of interfund receivables/payable

Interfund receivables, payables and advances in the amount of \$892,666 between governmental funds must be eliminated for the statement of net position.

SUWANNEE COUNTY, FLORIDA

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

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

	Total Governmental Funds	Capital Related Items	Long-Term Debt Transactions	Deferred Inflows/Outflows of Resources	Reclassifications and Eliminations	Statement of Net Position
ASSETS						
Cash and cash equivalents	\$ 21,133,275	\$ -	\$ -	\$ -	\$ -	\$ 21,133,275
Accounts receivable - net	424,819	-	-	-	-	424,819
Due from other funds	674,613	-	-	-	(606,541)	68,072
Advances to other funds	286,125	-	-	-	(286,125)	-
Due from other governmental units	2,292,795	-	-	-	-	2,292,795
Investments	5,275,752	-	-	-	-	5,275,752
Prepaid expenses	3,830	-	-	-	-	3,830
Capital assets - net	-	57,341,256	-	-	-	57,341,256
Total assets	30,091,209	57,341,256	-	-	(892,666)	86,539,799
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	3,029,621	-	3,029,621
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 474,325	\$ -	\$ -	\$ -	\$ -	\$ 474,325
Accrued wages	322,335	-	-	-	-	322,335
Accrued liabilities	350,931	-	-	-	-	350,931
Due to other funds	606,628	-	-	-	(606,541)	87
Due to other governmental units	162,286	-	-	-	-	162,286
Unearned revenues	34,559	-	-	-	-	34,559
Other current liabilities	46,261	-	-	-	-	46,261
Advances from other funds	286,125	-	-	-	(286,125)	-
Accrued compensated absences	-	-	2,257,025	-	-	2,257,025
Revenue bonds payable	-	-	6,049,110	-	-	6,049,110
Notes payable	-	-	30,000	-	-	30,000
OPEB obligation	-	-	137,000	-	-	137,000
FRS pension liability	-	-	12,900,412	-	-	12,900,412
Total liabilities	2,283,450	-	21,373,547	-	(892,666)	22,764,331
DEFERRED INFLOW OF RESOURCES	-	-	-	2,259,535	-	2,259,535
Fund balances/net position	27,807,759	57,341,256	(21,373,547)	770,086	-	64,545,554
Total liabilities, deferred inflow/outflows of resources and net position	\$ 30,091,209	\$ 57,341,256	\$ -	\$ 3,029,621	\$ (892,666)	\$ 89,569,420

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

The “net change in fund balances” for governmental funds \$5,725,998 differs from the “change in net position” for governmental activities \$5,690,008 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 losses on disposal of fixed assets are not reported as expenditures in the governmental funds; however, in the statement of activities, these losses are reported.

Capital outlay and additions	\$ 5,873,113
Depreciation expense	(4,556,758)
Disposition of fixed assets	(472,521)
Other reclassifications and additions	(13,262)
Difference	<u>\$ 830,572</u>

Proceeds of revenue bonds are revenue in the governmental funds, but the proceeds are classified as debt in the statement of activities.

Proceeds of revenue bond	<u>\$ 2,000,000</u>
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Repayments of debt principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities.

Debt principal payments made	<u>\$ 300,734</u>
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Net change in compensated absences	<u>\$ 155,229</u>
Change in pension liability and deferred and outflows of resources	<u>\$ 677,475</u>

Reclassification and Eliminations

Transfers in and transfers out in the amount of \$15,258,606 between governmental funds should be eliminated.

SUWANNEE COUNTY, FLORIDA

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

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

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	OPEB Obligation Compensated Absences	FRS Pension	Deferred Inflows/Outflows Resources	Reclassifications and Eliminations	Statement of Activities
REVENUES								
Taxes	\$ 19,261,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,261,254
Special assessments	1,592,963	-	-	-	-	-	-	1,592,963
Licenses and permits	227,129	-	-	-	-	-	-	227,129
Intergovernmental	16,736,946	-	-	-	-	-	-	16,736,946
Charges for services	5,002,560	-	-	-	-	-	-	5,002,560
Fines and forfeitures	311,718	-	-	-	-	-	-	311,718
Miscellaneous	1,606,316	26,000	-	-	-	-	-	1,632,316
Interest	47,099	-	-	-	-	-	-	47,099
Total revenues	44,785,985	26,000	-	-	-	-	-	44,811,985
EXPENDITURES								
Current Expenditures								
General government	7,328,120	437,369	-	(33,748)	(180,750)	-	-	7,550,991
Public safety	13,639,398	653,678	-	(132,772)	(388,329)	-	-	13,771,975
Physical environment	952,628	74,800	-	4,676	(21,815)	-	-	1,010,289
Transportation	5,543,897	3,277,879	-	(13,218)	(42,410)	-	-	8,766,148
Economic environment	837,295	-	-	2,210	(1,897)	-	-	837,608
Human services	1,328,328	6,833	-	-	-	-	-	1,335,161
Culture/recreation	4,152,801	145,461	-	17,623	(42,274)	-	-	4,273,611
Court related	1,804,276	-	-	-	-	-	-	1,804,276
Capital outlay								
General government	498,278	(498,278)	-	-	-	-	-	-
Public safety	673,180	(673,180)	-	-	-	-	-	-
Physical environment	3,497	(3,497)	-	-	-	-	-	-
Transportation	2,483,500	(2,483,500)	-	-	-	-	-	-
Economic environment	1,899,256	(1,899,256)	-	-	-	-	-	-
Culture/recreation	310,882	(310,882)	-	-	-	-	-	-
Court related	4,520	(4,520)	-	-	-	-	-	-
Debt Service								
Principal	300,734	-	(300,734)	-	-	-	-	-
Interest	129,005	-	-	-	-	-	-	129,005
Total expenditures	41,889,595	(1,277,093)	(300,734)	(155,229)	(677,475)	-	-	39,479,064
Excess of revenues over (under) expenditures	2,896,390	1,303,093	300,734	155,229	677,475	-	-	5,332,921
OTHER FINANCING SOURCES (USES)								
Deferred inflows and outflows of resources	-	-	-	-	(770,086)	770,086	-	-
Proceeds of long-term debt	2,000,000	-	(2,000,000)	-	-	-	-	-
Sale of fixed assets	858,608	(472,521)	-	-	-	-	-	386,087
Loss on disposition of fixed assets	-	-	-	-	-	-	-	-
Transfers in	15,258,606	-	-	-	-	-	(15,258,606)	-
Transfers out	(15,287,606)	-	-	-	-	-	15,258,606	(29,000)
Total other financing sources (uses)	2,829,608	(472,521)	(2,000,000)	-	(770,086)	770,086	-	357,087
Net change in fund balance	5,725,998	830,572	(1,699,266)	155,229	(92,611)	770,086	-	5,690,008
Fund balances at beginning of year	22,081,761	50,771,231	(4,379,844)	(2,549,254)	-	-	-	65,923,894
Prior period adjustment	-	5,739,453	-	-	(12,807,801)	-	-	(7,068,348)
Fund balances at end of year	\$ 27,807,759	\$ 57,341,256	\$ (6,079,110)	\$ (2,394,025)	\$ (12,900,412)	\$ 770,086	\$ -	\$ 64,545,554

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

1. Prior to July 15, the Clerk of the Circuit Court 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 Fund 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.

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive</u>
Primary Government			
Enterprise Funds:			
Solid Waste Collection	\$ 2,443,471	\$ 1,309,706	\$ 1,133,765
Solid Waste Disposal	<u>2,193,140</u>	<u>1,240,544</u>	<u>952,596</u>
	<u>\$ 4,636,611</u>	<u>\$ 2,550,250</u>	<u>\$ 2,086,361</u>

Expenses included \$173,225 in depreciation and \$48,924 in tax collection fees.

NOTE 4. CASH AND CASH EQUIVALENTS

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

1. Deposits

At September 30, 2015, the carrying amount of the County's deposits was \$25,398,259. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Chief Financial Officer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Chief Financial Officer. This Trust Fund is a multiple financial institution pool and has 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, obligations by the Florida State Board of Administration, Florida Local Government Investment Trust Fund, obligations of the U.S. Government, obligations of government agencies unconditionally guaranteed by the U.S. Government, obligations of the Federal Farm Credit Banks, obligations of the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates, obligations of the Federal Home Loan Bank, obligations of the Government National Mortgage Association, obligations of the Federal National Mortgage Association and securities of any management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss.80a-1 et seq., provided the portfolio is limited to U.S. Government obligations and to repurchase agreements fully collateralized by U.S. Government obligations. The County invested in only these types of instruments during the fiscal year.

In accordance with generally accepted accounting principles, the County's investments are categorized 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. Any investments in the Local Government Surplus Funds

Trust Fund, the Florida Local Government Investment Trust Fund, money market accounts and guaranteed investment contracts would not be categorized since the investments are not evidenced by securities that exist in physical or book entry form.

Currently the County has investments in certificates of deposit in the amount of \$5,275,752 which are category 1 investments.

Interest Rate Risk

- Section 218.415(17), *Florida Statutes*, limits investment maturities to provide sufficient liquidity to pay obligations as they come due.

Credit Risk

- The County's investments in Certificates of Deposit are in qualified public depositories.
- Section 218.415(17), *Florida Statutes*, limits investments to the State Board of Administration Local Government Surplus Funds Trust Fund Investment Pool, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, *Florida Statutes*; Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest-bearing time deposits in qualified public depositories, as defined in Section 280.02, *Florida Statutes*, and direct obligations to the United States Treasury. The County's investment policy limits investments to these types of securities.

Custodial Credit Risk

- Section 218.415(18), *Florida Statutes*, requires the County to earmark all investments and 1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; 2) if in book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal Government, the State, or any other state or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or 3) if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault. All County investments complied with this provision of law.

There were no legal or contractual provisions regarding deposits and investments at year end.

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	Other Additions	Additions/ Capital Outlay	Reclassifications/ Deletions	Ending Balance
Governmental activities:					
Capital assets:					
Land and improvements	\$ 7,370,749	\$ -	\$ 293,554	\$ -	\$ 7,664,303
Construction in progress	4,150,690	-	4,610,839	(4,150,690)	4,610,839
Infrastructure	50,177,923	-	-	2,078,956	52,256,879
Buildings and improvements	20,934,883	26,000	-	2,088,901	23,049,784
Equipment	20,042,488	-	912,292	(1,284,421)	19,670,359
Total capital assets	102,676,733	26,000	5,816,685	(1,267,254)	107,252,164
Less accumulated depreciation	(51,905,502)	-	(4,556,758)	811,899	(55,650,361)
Prior period adjustment	-	-	-	5,739,453	5,739,453
Total accumulated depreciation	(51,905,502)	-	(4,556,758)	6,551,352	(49,910,908)
Governmental activities capital assets, net	\$ 50,771,231	\$ 26,000	\$ 1,259,927	\$ 5,284,098	\$ 57,341,256
Business-type activities:					
Land	\$ 286,790	\$ -	\$ -	\$ -	\$ 286,790
Equipment	2,937,007	-	242,315	(146,955)	3,032,366
Collection sites	1,452,403	-	-	-	1,452,403
Landfill	3,664,145	-	-	-	3,664,145
Total capital assets	8,340,345	-	242,315	(146,955)	8,435,704
Less accumulated depreciation	(6,701,832)	-	(173,225)	146,955	(6,728,102)
Business-type activities capital assets, net	\$ 1,638,513	\$ -	\$ 69,090	\$ -	\$ 1,707,602

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

Governmental activities:	
General Government	\$ 398,107
Public Safety	653,678
Physical Environment	74,800
Transportation	3,277,879
Human Services	6,833
Culture/Recreation	145,461
Total depreciation expense - governmental activities	\$ 4,556,758
Business-type activities:	
Solid waste collection	\$ 135,679
Solid waste disposal	37,546
Total depreciation expense - business-type activities	\$ 173,225

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

Balances at September 30, 2015, were:

	Receivable	Payable
General Fund	\$ 174,530	\$ 12,003
Special Revenue Funds:		
Clerk of the Circuit Court Court Related	28,122	33,242
Clerk of the Circuit Court Noncourt Related	19,913	97,910
Inmate Welfare	7,691	-
911 Addressing	58	649
Emergency Management	-	1,120
Fine and Forfeiture	349,891	-
Fire Protection	912	-
		3,381
Juror/Witness	8,099	4,505
Law Education	520	-
Library	29	18,184
Municipal Services	3,381	1,896
Property Appraiser Operating	-	40,175
Public Records Modernization Trust	1,058	3,884
Recreation	-	5,246
Road and Bridge	38,385	32,234
Sheriff Operating	-	330,195
Supervisor of Elections Operating	-	17,233
Tax Collector Operating	10,762	95
Tourist Development Trust	14,029	4,676
Voting Equipment	17,233	
Agency Funds:		
Ad Valorem Tax	-	9,865
Child Support Domestic Relations	-	-
Civil Depositors	-	2,193
Domestic Relations	8	12
Inmate Welfare	-	7,691
Registry of the Court	-	-
Tag Agency	70	24,231
Tax Deed	9	-
Proprietary Funds:		
Solid Waste Collection	1,302	20,736
Solid Waste Disposal	484	5,130
	<u>\$ 676,486</u>	<u>\$ 676,486</u>

NOTE 8. INTERFUND TRANSFERS

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

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

Transfer from General Fund to:	
Special Revenue Funds	\$ 5,290,886
Enterprise Fund	29,000
Transfer from Reserve Capital Infrastructure to:	
General Fund	35,000
Transfer from Fire Protection Fund to:	
General Fund	825,179
Transfer from Tourist Development Fund to:	
Recreation Fund	10,000
Transfer from Fine and Forfeiture Fund to:	
General Fund	244,723
Clerk of Circuit Court Public Records Modernization Trust Fund	200,695
Sheriff Operating Fund	7,934,078
Renovation Construction	100,000
Transfer from Clerk of Circuit Court, Court Related Fund to:	
Clerk of Circuit Court Noncourt Related Fund	193,792
Transfer from Clerk of Circuit Court, Noncourt Related Fund to:	
Clerk of Circuit Court Court Related	192,814
Jury/Witness Fund	1,933
General Fund	65,000
Transfer from Clerk of Circuit Court, Public Records Modernization Trust to:	
Clerk of Circuit Court, Court Related Fund	95,005
Jury/Witness Fund	11,997
Transfer from Property Appraiser Operating to:	
General Fund	40,175
Transfer from Tax Collector Operating	
General Fund	96
Transfer from Supervisor of Elections Operating to:	
Voting Equipment Fund	17,233
	<u>\$ 15,287,606</u>

NOTE 9. RECEIVABLE AND PAYABLE BALANCES

Receivables at September 30, 2015, were as follows:

	<u>Accounts</u>	<u>Due from Other Governments</u>	<u>Total Receivables</u>
Governmental Activities:			
General	\$ 414,064	\$ 865,316	\$ 1,279,380
Road and Bridge	20	646,846	646,866
Fine and forfeiture	-	518,106	518,106
Recreation	-	96,490	96,490
Sheriff Operating	-	20,199	20,199
Other governmental	10,735	145,838	156,573
Total governmental activities	<u>\$ 424,819</u>	<u>\$ 2,292,795</u>	<u>\$ 2,717,614</u>
Business-type activities:			
Solid Waste Collection	\$ 3,007	\$ 4,311	\$ 7,318
Solid Waste Disposal	73,355	3,024	76,379
Total business-type activities	<u>\$ 76,362</u>	<u>\$ 7,335</u>	<u>\$ 83,697</u>

Payables at September 30, 2015, were as follows:

	Vendors	Salaries and Benefits	Other Liabilities	Total Payables
Governmental Activities:				
General	\$ 93,668	\$ 45,078	\$ 359,148	\$ 497,894
Road and Bridge	148,701	22,298	35,548	206,547
Fine and Forfeiture	26,910	-	14,612	41,522
Library	20,559	12,265	20,505	53,329
Recreation	93,455	4,605	6,045	104,105
Clerk Court Related	5,320	8,300	181,287	194,907
Sheriff Operating	82	-	358,755	358,837
Road and Bridge Construction	-	-	-	-
Other governmental	85,630	229,789	510,890	826,309
Total governmental activities	<u>\$ 474,325</u>	<u>\$ 322,335</u>	<u>\$ 1,486,790</u>	<u>\$ 2,283,450</u>
Business-type activities:				
Solid Waste Collection	\$ 239,637	\$ 26,727	\$ 46,715	\$ 313,079
Solid Waste Disposal	10,800	5,979	78,174	94,953
Water Plant	928	-	-	928
Total business-type activities	<u>\$ 251,365</u>	<u>\$ 32,706</u>	<u>\$ 124,889</u>	<u>\$ 408,960</u>

NOTE 10. LONG-TERM LIABILITIES

A. Governmental Activities

Notes Payable

1. First Federal Savings Bank of Florida Note Payable

In April, 2003, the Board entered into a note payable with First Federal Savings Bank of Florida (First Federal) in the amount of \$150,000, in exchange for naming rights (advertising) granted to First Federal Savings Bank of Florida on the County Recreation Sports Complex (First Federal Sportsplex) for a period of fifteen years. Principal payments of \$10,000 with accrued interest at 12% shall be forgiven by First Federal in exchange for these rights on an annual basis on the first day of May over the fifteen year period as long as the County complies with the terms of the agreement.

The following is a schedule of the future minimum principal and interest payments under this note payable, and the present value of the net minimum note payments at September 30, 2015:

<u>Year Ending September 30</u>	<u>Total</u>
2016	\$ 13,600
2017	12,400
2018	11,200
	<u>37,200</u>
Less amount representing interest	(7,200)
Present value of future minimum note payments	<u>\$ 30,000</u>

2. Revenue Bonds Payable – Series 2014

In February, 2014 the County entered into a loan with Capital City Bank in the amount of \$4,500,000. The loan is comprised of a tax exempt amount of \$1,850,000 and a taxable amount of \$2,650,000. The loan is repayable over the first five years in quarterly payments of \$129,430 including interest of 2.15% on the tax exempt portion and 3.25% on the taxable part. At the end of five years, interest on the remaining balance will be calculated at 70% of the Capital City Bank prime rate, adjusted annually with a floor of 3.25%. This loan is secured by a pledge of the County's Half Cent Sales Tax revenues. Proceeds of the loan are being used to finance the County's Catalyst Site economic development project. The payments due on the taxable amount of the issue at the current interest rate is as follows:

FISCAL YEAR END	PRINCIPAL	3.25% INTEREST	TOTAL
2016	\$ 238,951	\$ 71,067	\$ 310,018
2017	247,122	63,311	310,433
2018	255,366	55,290	310,656
2019	263,885	47,003	310,888
2020	272,583	38,439	311,022
2021-2024	1,092,020	62,890	1,154,910
	<u>\$ 2,369,927</u>	<u>\$ 338,000</u>	<u>\$ 2,707,927</u>

The payments due on the tax free portion of the issue at the current interest rate is as follows:

FISCAL YEAR END	PRINCIPAL	2.15% INTEREST	TOTAL
2016	\$ 173,740	\$ 32,664	\$ 206,404
2017	177,649	28,949	206,598
2018	181,553	25,150	206,703
2019	185,544	21,269	206,813
2020	189,574	17,302	206,876
2021-2024	771,123	28,044	799,167
	<u>\$ 1,679,183</u>	<u>\$ 153,378</u>	<u>\$ 1,832,561</u>

3. Revenue Bond Payable Series 2015

On July 28, 2015, the County entered into a loan with First Federal Bank of Florida in the amount of \$2,000,000. The tax-exempt bond issue is repayable in twenty-eight semi-annual payments, including interest of 2.47%. This loan is secured by a pledge of the County's Half Cent Sales Tax revenues. Proceeds of the loan are being used to finance the construction of two County-owned office buildings. Interest on the bond issue is payable monthly, beginning September 1, 2015 through September 1, 2016. Principal and interest is due on this bond beginning each October 1, and April 1, commencing October 1, 2016. A schedule of principal and interest payments beginning October 1, 2016 follows:

	PRINCIPAL	INTEREST	TOTAL
10/01/2016	\$ 80,005	\$ 24,700	\$ 104,705
04/01/2017	60,418	23,712	84,130
10/01/2017	61,036	22,966	84,002
04/01/2018	61,914	22,212	84,126
10/01/2018	62,559	21,447	84,006
04/01/2019	63,447	20,675	84,122
10/01/2019	64,119	19,891	84,010
04/01/2020	64,913	19,099	84,012
10/01/2020	65,717	18,298	84,015
04/01/2021	66,627	17,486	84,113
Thereafter	1,349,245	162,780	1,512,025
	<u>\$ 2,000,000</u>	<u>\$ 373,266</u>	<u>\$ 2,373,266</u>

B. Changes in Long-term Liabilities

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

	Balance at 10/01/14	Additions	Adjustments/ Deletions	Balance at 09/30/15	Due Within One Year
<u>Governmental activities:</u>					
First Federal Savings					
Bank, note payable	\$ 40,000	\$ -	\$ (10,000)	\$ 30,000	\$ 10,000
Revenue bonds payable	1,789,886	-	(110,703)	1,679,183	173,740
Revenue bonds payable	2,549,958	-	(180,031)	2,369,927	238,951
Revenue bond payable	-	2,000,000	-	2,000,000	140,423
	<u>4,379,844</u>	<u>2,000,000</u>	<u>(300,734)</u>	<u>6,079,110</u>	<u>563,114</u>
Other liabilities -					
Compensated absences payable	2,412,254	-	(155,229)	2,257,025	338,554
Other post-employment benefits	137,000	-	-	137,000	-
FRS retirement liability	-	12,900,412	-	12,900,412	544,639
	<u>\$ 6,929,098</u>	<u>\$ 14,900,412</u>	<u>\$ (455,963)</u>	<u>\$ 21,373,547</u>	<u>\$ 1,446,307</u>
<u>Business Activities:</u>					
Other liabilities -					
Compensated absences payable	\$ 57,888	\$ 6,277	\$ -	\$ 64,165	\$ 9,625
Pension liability	-	343,657	-	343,657	14,509
Estimated liability for landfill closure	2,729,665	-	(150,820)	2,578,845	189,035
	<u>\$ 2,787,553</u>	<u>\$ 349,934</u>	<u>\$ (150,820)</u>	<u>\$ 2,986,667</u>	<u>\$ 213,169</u>

NOTE 11. LANDFILL CLOSURE AND POSTCLOSURE COST

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

Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$2,578,845 reported as landfill closure and postclosure care liability at September 30, 2015, represents the cumulative amount reported to date based on the two closed landfills for 22 and 3 years, respectively, remaining for postclosure care of the landfill. These amounts are based on what it would cost to perform all annual postclosure care for the required years. 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 and postclosure. The County is in compliance with these requirements, and at September 30, 2015, restricted cash of \$1,591,657 was 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. COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

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, including employee contributions, to the Pension Plan totaled \$1,712,712 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 \$8,357,337 for its proportionate share of the Pension 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 .0647 percent, which was an increase of .0034 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 \$742,169. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 882,288	\$ 198,211
Changes in assumptions	554,704	-
Net difference between projected and actual earnings on Pension Plan investments		1,995,592
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	798,949	92,629
County Pension Plan contributions subsequent to the measurement date	386,470	-
Total	<u>\$ 2,622,411</u>	<u>\$ 2,286,432</u>

The deferred outflows of resources related to the Pension Plan, totaling \$386,470 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:

<u>Fiscal Year Ending</u> <u>September 30</u>	<u>Amount</u>
2016	\$ (44,108)
2017	(44,108)
2018	(44,108)
2019	65,736
2020	12,766
Thereafter	3,331
	<u><u>\$ (50,491)</u></u>

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:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
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	<u>100.00%</u>			
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	\$ 21,655,751	\$ 8,357,337	\$ (2,709,127)

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 \$159,618 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 \$211,846 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 \$2,585,580 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 .04792 percent, which was an increase of .0004 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 \$365,059. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	384,458	-
Net difference between projected and actual earnings on HIS Plan investments	2,645	-
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	43,530	33,294
County HIS Plan contributions subsequent to the measurement date	57,284	-
Total	<u>\$ 487,917</u>	<u>\$ 33,294</u>

The deferred outflows of resources related to the HIS Plan, totaling \$34,409 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:

<u>Fiscal Year Ending</u> <u>September 30</u>	<u>Amount</u>
2016	\$ 347,104
2017	347,104
2018	347,104
2019	(517,296)
2020	(100,457)
Thereafter	(26,220)
	<u>\$ 397,339</u>

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:

	<u>1% Decrease</u> <u>(3.29%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(4.29%)</u>	<u>1% Increase</u> <u>(5.29%)</u>
County's proportionate share of the net pension liability	<u>\$ 5,568,204</u>	<u>\$ 4,886,732</u>	<u>\$ 4,318,487</u>

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 \$19,743 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 participants in the Investment Plan for the fiscal year ended September 30, 2015.

NOTE 13. OPERATING LEASES

The Board has several operating lease agreements for equipment, buildings and office space with noncancellable terms. These leases are considered, for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$203,127. The future minimum lease payments at September 30, 2015, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2015	\$ 201,569
2016	183,876
	<u>\$ 385,445</u>

The Board also has an operating lease agreement with Hatch Enterprises, Inc. for lime rock for the Road Department. The lease calls for 240 monthly payments of \$7,650. Future minimum lease payments at September 30, 2015 are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payments</u>
2016	\$ 91,800
2017	91,800
2018	91,800
2019	91,800
2020	91,800
2021-2025	459,000
2026-2029	313,650
	<u>\$ 1,231,650</u>

The Clerk of the Circuit Court has various leases for equipment, building and office space. These leases are considered, for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$20,928. The future minimum lease payments for these leases are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payments</u>
2016	\$ 25,164
2017	19,650
2018	11,260
2019	3,650
	<u>\$ 59,724</u>

The Property Appraiser has two operating lease agreements for equipment with noncancellable terms. These leases are considered for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$1,974. The future minimum payments under these leases at September 30, 2015, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2015	\$ 3,549
2016	3,549
2017	3,549
2018	3,457
2019	1,836
	<u>\$ 15,940</u>

The Sheriff has several operating lease agreements for equipment with noncancellable terms. These leases are considered for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$3,286. The future minimum payments under these leases at September 30, 2015, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2016	\$ 4,077
2017	3,825
2018	1,054
2019	527
	<u>\$ 9,483</u>

The Supervisor of Elections has several operating lease agreements for equipment with noncancellable terms. Lease expenditures for the fiscal year totaled \$12,008. At September 30, 2015, under the terms of these leases, the Supervisor is obligated to make future minimum lease payments as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payments</u>
2016	\$ 12,008
2017	1,218
2018	564
	<u>\$ 13,790</u>

The County has entered into various other leases that are properly classified as operating leases. These leases are dependent upon future funding and require annual re-approval. Therefore, the future minimum rental payments required under these leases is \$0.

NOTE 14. FUND EQUITY

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 at September 30, 2015 with restrictions, consist of the following:

	Restricted	Committed	Assigned
General Fund			
Equipment replacement	\$ -	\$ -	\$ 666,974
Capital improvements	-	1,779,184	-
Florida boating revenue	73,880	-	-
Compensated absences	-	-	1,214,453
Fine and Forfeiture Fund			
Law enforcement	-	-	1,743,148
Library Fund			
Library services	1,977,602	-	-
Renovation Construction Fund			
Building improvements	-	969,800	-
Recreation Fund			
First Federal Sportsplex and recreation service	-	-	236,699
Juror/Witness Fund			
Juror and witness management	-	-	3,720
Public Records Modernization Trust Fund			
Public records maintenance	232,039	-	-
Road and Bridge Fund			
Road projects	-	-	3,152,742
Road and Bridge Construction Fund			
Road projects	2,659,727	-	-
Teen Court Fund			
Teen Court services	-	-	280
911 Addressing Fund			
911 Addressing services	791,280	-	-
Reserve Capital Infrastructure Fund			
Capital projects	-	4,282,628	-
Tourist Development Fund			
Tourist Development	113,490	-	-
Law Education Fund			
Law education	37,666	-	-
Law Enforcement Trust Fund			
Law enforcement	134,877	-	-
Local Housing Assistance Fund			
State Program for Local Housing Assistance	(3,381)	-	-
Emergency Management Fund			
Emergency management services	105,985	-	-
EMS State Grant Fund			
EMS projects	5,108	-	-
Voting Equipment Fund			
Drug Task Force	-	178,677	-
Sheriff Drug Task Force			
Federal Seizure	50,155	-	-
Law Enforcement			
Inmate Welfare Fund	73,345	-	-
Inmate Services			
Inmate Services	-	-	220,356
Municipal Services			
Municipal Services	-	-	32,365
	<u>\$ 6,251,773</u>	<u>\$ 7,210,289</u>	<u>\$ 7,270,737</u>

PROPRIETARY FUNDS

The County had not established any reserves within the fund equity section of the Proprietary Funds at September 30, 2015.

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 Board expects such amounts, if any, to be immaterial.

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 Board's entity risk pool pays annual premiums to the pools for its insurance coverages. The agreements for formation of the pools provide that the pools will

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

The 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 economic development related infrastructure. At year end, the projects were ongoing and the existing funds had been earmarked for completion of the projects.

NOTE 19. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Pursuant to Section 112.0801, *Florida Statutes*, The County is required to permit participation in the single-employer health insurance program (the "Plan") by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees.

Based on Governmental Accounting Standards Board (GASB) approval of Statement Numbers 43 and 45 which set for the guidelines and a future implementation timetable for reporting and disclosure of Other Post-Employment Benefits (OPEB), the County had an actuary calculate future funding requirements using an appropriate actuarial cost method. The valuation was performed as of October 1, 2012 and covers the subsidies for medical benefits. The County has elected to implement the provisions of GASB Statement No. 45 prospectively. The County's annual OPEB cost for the Plan is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The projected unit credit cost method was used to determine all liabilities, with the liability for each active employee assumed to accrue over the working lifetime based on elapsed time from the date of hire until retirement.

Plan Description. The County provides optional post-employment benefits to all eligible individuals including lifetime healthcare coverage. Eligible individuals include all regular employees of the County who retire from active service under the Florida Retirement System. Under certain conditions, eligible individuals also include spouses and dependent children. The Plan does not issue a publicly available financial report.

Funding Policy. The Board of County Commissioners is authorized to establish benefit levels and approve the actuarial assumptions used in the determination of contributions levels. The Board of County Commissioners establishes the contributions requirements of plan members and the County. These contributions are neither mandated nor guaranteed. The retiree contributes the premium cost each month. Spouses and other dependents are also eligible for coverage, although the retiree pays the premium cost.

Retirees must pay a monthly premium as determined by the insurance carrier. The premium varies depending on whether the retiree elects single, single plus spouse, single plus dependents, or family coverage.

Currently, the County's subsidy to OPEB benefits is unfunded. There are no separate Trust Funds or equivalent arrangements into which the County makes contributions to advance-fund the OPEB obligations, as it does for its retiree pension plans. The County's cost of the OPEB benefits, funded on a pay-as-you-go basis, was \$35,000 for the year ended September 30, 2015.

Due to the fact that no retirees participated in the plan during the year, management determined that its OPEB obligation at year end would be of a de minimis amount. Management will monitor this situation in the future and take appropriate steps to properly comply with GASB Statement 45.

The ultimate implicit and explicit subsidies which are provided over time are financed directly by general assets of the County, which are invested in short-term fixed available income instruments according to its current investment policy. The County selected an interest discount rate of 4.00% per annum, which is the long-range expected return on such short-term fixed income instruments, to calculate the present values and costs of the OPEB. This is consistent with GASB Statement No. 45 guidelines.

Significant Actuarial Assumptions and methods used to estimate the OPEB liability are as follows:

Valuation date.....	October 1, 2012
Actuarial cost method.....	Projected Unit Credit Cost Method
Amortization method.....	10-year open period
Amortization period.....	10-Year
Assumed rate of return on investments.....	4.00% per annum

Assumed healthcare cost trend rates:

Fiscal Year Ending	Percent Increase
2014-2015	7.00%
Graded to 5.50% for 2017/2018	5.50%
Ultimate rate per annum	5.00%

Actuarial Methods. The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. Actuarial calculations reflect a long-term perspective and the methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Annual OPEB cost and Net OPEB Obligation. The County's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize the actuarial liabilities (or funding excess) over a period not to exceed 20 years. The County's projected annual OPEB cost for the fiscal year was \$35,000.

The County's annual OPEB cost and the net OPEB obligation for the fiscal year ended September 30, 2013, the date of the last actuarial valuation, is as follows:

	As of <u>September 30, 2013</u>
Annual required contribution (ARC).....	\$ 99,000
Interest on the net OPEB obligation.....	3,000
Adjustment to the ARC.....	<u>(8,000)</u>
Total Annual OPEB Cost	94,000
 Employee contributions.....	 (26,000)
Interest on employer contributions.....	<u>-</u>
	(26,000)
 Net OPEB obligation - beginning of year.....	 <u>69,000</u>
 Net OPEB obligation - end of year.....	 <u><u>\$ 137,000</u></u>

The County's percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the fiscal year ended September 30, 2015 is as follows:

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
<u>9/30/2014</u>	<u>\$ 26,000</u>	<u>100.0%</u>	<u>\$ 137,000</u>

The 2015 contribution represented 27.7% of the annual required contribution. The actuarial valuation for the Plan was done as of October 1, 2013. Thereafter, actuarial valuations will be done bi-annually.

As of October 1, 2012, the most recent actuarial valuation date, the Plan was unfunded. The actuarial accrued liability for benefits was \$517,000, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$517,000.

The following Schedule of Funding Progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) EAN (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a% of Covered Payroll ((b-1)/c)
10/01/2012	0	\$ 517,000	\$ 517,000	0.00	N/A	N/A

NOTE. 20. Prior Period Adjustment

In the current year a prior adjustment was made to the accumulated depreciation of governmental fund capital assets as follows:

	Governmental Capital Assets
Beginning net assets of governmental activities	\$ 50,771,231
Adjustment to accumulated depreciation	5,739,453
Beginning net assets of governmental activities as restated	<u>\$ 56,510,684</u>

Also, in the current year, in compliance with GASB 68, the County recorded a prior period adjustment to recognize its proportionate share of the Florida Retirement System net pension liability as follows:

	Long-term Debt	Solid Waste Collection Fund	Solid Waste Disposal Fund	Total
Beginning pension liability	\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources	(6,327,419)	(131,570)	(36,988)	(6,495,977)
Deferred outflows of resources	1,110,607	23,094	6,492	1,140,193
FRS pension liability	(7,590,989)	(157,894)	(44,374)	(7,793,257)
Prior period adjustment to net position	12,807,801	266,370	74,870	13,149,041
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note 21. Fund Deficit

The following fund had a fund deficit at year end. The deficit will be funded by operating transfers in the subsequent year.

Special Revenue Funds:	Fund Deficit
Housing Assistance	\$ 3,381
	<u>\$ 3,381</u>

REQUIRED SUPPLEMENTARY INFORMATION

SUWANNEE COUNTY, FLORIDA

**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
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 7,171,591	\$ 7,171,591	\$ 7,550,617	\$ 379,026
Licenses and permits	21,173	21,173	33,427	12,254
Intergovernmental	11,155,601	11,155,601	8,299,342	(2,856,259)
Charges for services	1,035,332	1,485,332	1,789,022	303,690
Fines and forfeitures	18,000	18,000	17,019	(981)
Miscellaneous	893,794	893,794	1,257,905	364,111
Interest	9,402	9,402	14,066	4,664
Total revenues	20,304,893	20,754,893	18,961,398	(1,793,495)
EXPENDITURES				
Current expenditures				
General government	5,436,987	5,393,547	3,840,275	1,553,272
Public safety	4,112,389	4,299,338	4,299,336	2
Physical environment	649,472	600,734	952,628	(351,894)
Transportation	343,630	230,347	230,347	-
Economic environment	119,676	306,686	306,680	6
Human services	1,468,594	1,328,329	1,328,328	1
Culture / recreation	119,045	113,045	113,045	-
Capital outlay				
General government	641,921	1,336,242	426,646	909,596
Public safety	287,584	238,779	238,779	-
Physical environment	3,125	355,392	3,497	351,895
Transportation	500,000	170,269	70,269	100,000
Economic environment	-	5,667,992	1,899,256	3,768,736
Debt service				
Principal	401,522	290,734	290,734	-
Interest	118,109	128,629	128,630	(1)
Total expenditures	14,202,054	20,460,063	14,128,450	6,331,613
Excess of revenues over (under) expenditures	6,102,839	294,830	4,832,948	4,538,118
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	-	-	2,000,000	2,000,000
Interfund transfers in	860,180	860,180	1,145,173	284,993
Interfund transfers out	(5,445,710)	(5,312,043)	(5,319,886)	(7,843)
Total other financing sources (uses)	(4,585,530)	(4,451,863)	(2,174,713)	2,277,150
Net change in fund balance	1,517,309	(4,157,033)	2,658,235	6,815,268
Fund balance at beginning of year	7,916,378	7,916,378	7,916,378	-
Fund balance at end of year	\$ 9,433,687	\$ 3,759,345	\$ 10,574,613	\$ 6,815,268
See notes to financial statements.				

SUWANNEE COUNTY, FLORIDA

**ROAD AND BRIDGE 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
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 2,435,922	\$ 2,435,922	\$ 2,915,345	\$ 479,423
Licenses and permits	2,640	2,640	7,180	4,540
Intergovernmental	5,860,440	5,860,440	3,872,926	(1,987,514)
Charges for services	409,793	409,793	472,333	62,540
Miscellaneous	2,000	2,000	1,704	(296)
Interest	1,000	1,000	1,513	513
Total revenues	<u>8,711,795</u>	<u>8,711,795</u>	<u>7,271,001</u>	<u>(1,440,794)</u>
EXPENDITURES				
Current expenditures				
Transportation	5,411,127	5,151,845	5,151,841	4
Capital outlay				
Transportation	5,348,810	5,608,092	2,413,231	3,194,861
Total expenditures	<u>10,759,937</u>	<u>10,759,937</u>	<u>7,565,072</u>	<u>3,194,865</u>
Excess of revenues over (under) expenditures	<u>(2,048,142)</u>	<u>(2,048,142)</u>	<u>(294,071)</u>	<u>1,754,071</u>
OTHER FINANCING SOURCES				
Sale of equipment	330,000	330,000	858,608	528,608
Interfund transfers in	1,458,251	1,458,251	1,458,250	(1)
Total other financing sources	<u>1,788,251</u>	<u>1,788,251</u>	<u>2,316,858</u>	<u>528,607</u>
Net change in fund balance	(259,891)	(259,891)	2,022,787	2,282,678
Fund balance at beginning of year	1,129,955	1,129,955	1,129,955	-
Fund balance at end of year	<u>\$ 870,064</u>	<u>\$ 870,064</u>	<u>\$ 3,152,742</u>	<u>\$ 2,282,678</u>
See notes to financial statements.				

SUWANNEE COUNTY, FLORIDA

**FINE AND FORFEITURE 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
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 7,916,103	\$ 7,916,103	\$ 8,617,119	\$ 701,016
Intergovernmental	425,250	425,250	432,750	7,500
Charges for services	123,444	123,444	132,025	8,581
Fines and forfeitures	98,709	98,709	95,700	(3,009)
Miscellaneous	46,400	46,400	46,400	-
Total revenues	<u>8,609,906</u>	<u>8,609,906</u>	<u>9,323,994</u>	<u>714,088</u>
EXPENDITURES				
Current expenditures				
General government	2,500	23,434	23,434	-
Public safety	477,906	514,996	428,325	86,671
Court related	467,997	387,552	326,035	61,517
Capital outlay				
Court related	231,553	239,446	4,520	234,926
Total expenditures	<u>1,179,956</u>	<u>1,165,428</u>	<u>782,314</u>	<u>383,114</u>
Excess of revenues over expenditures	<u>7,429,950</u>	<u>7,444,478</u>	<u>8,541,680</u>	<u>1,097,202</u>
OTHER FINANCING USES				
Interfund transfers out	(8,464,968)	(8,479,496)	(8,479,496)	-
Net change in fund balance	<u>(1,035,018)</u>	<u>(1,035,018)</u>	<u>62,184</u>	<u>1,097,202</u>
Fund balance at beginning of year	1,680,964	1,680,964	1,680,964	-
Fund balance at end of year	<u>\$ 645,946</u>	<u>\$ 645,946</u>	<u>\$ 1,743,148</u>	<u>\$ 1,097,202</u>

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenue				
State grants				
Culture/recreation				
Aid to libraries	\$ 450,000	\$ 450,000	\$ 628,227	\$ 178,227
Regional state aid to libraries	350,000	350,000	350,000	-
Grants from other local units				
Culture/recreation				
Hamilton County	587,231	587,231	635,386	48,155
Madison County	627,744	627,744	809,780	182,036
Total intergovernmental revenue	<u>2,014,975</u>	<u>2,014,975</u>	<u>2,423,393</u>	<u>408,418</u>
Fines and forfeitures				
Library fines				
Library fines	11,500	11,500	20,258	8,758
Library lost book fees	2,000	2,000	-	(2,000)
Library damages	150	150	-	(150)
Library fees	5,000	5,000	-	(5,000)
Branford library fines	5,000	5,000	5,480	480
Total fines and forfeitures	<u>23,650</u>	<u>23,650</u>	<u>25,738</u>	<u>2,088</u>
Miscellaneous				
Other miscellaneous				
Other contributions	4,000	4,000	35,487	31,487
Other miscellaneous	141,075	141,075	145,543	4,468
Total miscellaneous	<u>145,075</u>	<u>145,075</u>	<u>181,030</u>	<u>35,955</u>
Total revenues	<u>2,183,700</u>	<u>2,183,700</u>	<u>2,630,161</u>	<u>446,461</u>
EXPENDITURES				
Culture/recreation				
Library Suwannee				
Personnel services	544,037	528,757	528,757	-
Operating expenses	963,459	900,181	900,181	-
Capital outlay	14,500	58,108	58,108	-
Total library	<u>1,521,996</u>	<u>1,487,046</u>	<u>1,487,046</u>	<u>-</u>
(Continued)				

SUWANNEE COUNTY, FLORIDA

**LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Library Madison				
Personnel services	\$ 270,689	\$ 243,953	\$ 243,953	\$ -
Operating expenses	372,960	339,128	339,128	-
Capital outlay	10,000	36,205	36,205	-
Total Madison County library	653,649	619,286	619,286	-
 Regional State Aid				
Personnel services	421,905	424,935	424,935	-
Operating expenses	3,250	-	-	-
Total regional state aid	425,155	424,935	424,935	-
 Library Hamilton				
Personnel services	330,892	264,614	264,614	-
Operating expenses	259,950	250,706	250,702	4
Capital outlay	9,000	46,281	46,281	-
Total Hamilton County library	599,842	561,601	561,597	4
 Library Dowling Park				
Operating expenses	-	36,500	36,500	-
Total Dowling Park library	-	36,500	36,500	-
Total expenditures	3,200,642	3,129,368	3,129,364	4
 Excess of revenues over (under) expenditures	(1,016,942)	(945,668)	(499,203)	446,465
 OTHER FINANCING SOURCES				
Interfund transfer in				
Transfers from general fund	972,090	972,090	1,072,090	100,000
 Net change in fund balance	(44,852)	26,422	572,887	546,465
 Fund balance at beginning of year	1,404,715	1,404,715	1,404,715	-
Fund balance at end of year	\$ 1,359,863	\$ 1,431,137	\$1,977,602	\$ 546,465

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**RECREATION 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
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 491,460	\$ 491,460	\$ 307,228	\$ (184,232)
Charges for services	209,900	209,900	234,088	24,188
Miscellaneous	19,167	19,167	28,557	9,390
Total revenues	<u>720,527</u>	<u>720,527</u>	<u>569,873</u>	<u>(150,654)</u>
EXPENDITURES				
Current expenditures				
Culture / recreation	1,055,816	1,050,993	1,050,988	5
Capital outlay				
Culture / recreation	363,212	368,035	170,286	197,749
Debt service				
Principal	-	-	10,000	(10,000)
Total expenditures	<u>1,419,028</u>	<u>1,419,028</u>	<u>1,231,274</u>	<u>187,754</u>
Excess of revenues over (under) expenditures	<u>(698,501)</u>	<u>(698,501)</u>	<u>(661,401)</u>	<u>37,100</u>
OTHER FINANCING SOURCES				
Interfund transfers in	659,989	659,989	659,989	-
Net change in fund balance	(38,512)	(38,512)	(1,412)	37,100
Fund balance at beginning of year	238,111	238,111	238,111	-
Fund balance at end of year	<u>\$ 199,599</u>	<u>\$ 199,599</u>	<u>\$ 236,699</u>	<u>\$ 37,100</u>
See notes to financial statements.				

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental				
State grants				
State court reimbursement	\$ 268,961	\$ 268,961	\$ 176,495	\$ (92,466)
Total intergovernmental	268,961	268,961	176,495	(92,466)
Charges for services				
Circuit Criminal	18,390	18,390	22,534	4,144
County Criminal Misdemeanor	84,555	84,555	99,708	15,153
Circuit Civil	101,916	101,916	77,223	(24,693)
Probate	37,405	37,405	31,209	(6,196)
Domestic Relations	3,042	3,042	3,682	640
County Civil	103,584	103,584	119,219	15,635
Civil Traffic	111,445	111,445	139,848	28,403
Court Service Reimbursements	52,713	52,713	55,354	2,641
Total charges for services	513,050	513,050	548,777	35,727
Fines				
Circuit Criminal	128,844	128,844	150,894	22,050
County Criminal Misdemeanor	100,320	100,320	77,332	(22,988)
County Civil and Traffic	98,376	98,376	110,024	11,648
Total fines	327,540	327,540	338,250	10,710
Miscellaneous	20,000	20,000	10,300	(9,700)
Interest	300	300	5,481	5,181
	20,300	20,300	15,781	(4,519)
Total revenues	1,129,851	1,129,851	1,079,303	(50,548)
EXPENDITURES				
Court related				
Personnel services	1,068,748	1,098,133	1,097,358	775
Operating expenses	61,349	86,340	87,115	(775)
Total expenditures	1,130,097	1,184,473	1,184,473	-
Excess of revenues over (under) expenditures	(246)	(54,622)	(105,170)	(50,548)
OTHER FINANCING SOURCES (USES)				
Transfer in from other funds	202,102	202,102	298,962	96,860
Operating transfers out	197,856	(193,792)	(193,792)	-
Total other financing sources (Uses)	399,958	8,310	105,170	96,860
Net change in fund balance	399,712	(46,312)	-	46,312
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ 399,712	\$ (46,312)	\$ -	\$ 46,312

See notes to financial statements.

**SUWANNEE 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**

	General Fund		
	Original and Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 87,061	\$ 87,061
Charges for services	-	19,470	19,470
Fines and forfeitures	-	-	-
Miscellaneous	-	13,985	13,985
Total revenues	-	120,516	120,516
EXPENDITURES			
Current expenditures			
Public safety	8,049,773	7,706,662	343,111
Capital outlay			
Public safety	214,500	347,933	(133,433)
Total expenditures	8,264,273	8,054,595	209,678
Excess of revenues over (under) expenditures	(8,264,273)	(7,934,079)	330,194
OTHER FINANCING SOURCES			
Transfers from Board of County Commissioners	8,264,273	7,934,079	(330,194)
Total other financing sources	8,264,273	7,934,079	(330,194)
Net change in fund balances	-	-	-
Fund balances at beginning of year	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**RESERVE CAPITAL INFRASTRUCTURE 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
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Interest	\$ 14,819	\$ 14,819	\$ 14,799	\$ (20)
Total revenues	14,819	14,819	14,799	(20)
EXPENDITURES				
Current expenditures				
General government	62	62	-	62
Total expenditures	62	62	-	62
Excess of revenues over expenditures	14,757	14,757	14,799	42
OTHER FINANCING (USES)				
Interfund transfers out	(71,000)	(71,000)	(35,000)	36,000
Net change in fund balance	(56,243)	(56,243)	(20,201)	36,042
Fund balance at beginning of year	4,302,829	4,302,829	4,302,829	-
Fund balance at end of year	\$ 4,246,586	\$ 4,246,586	\$ 4,282,628	\$ 36,042
See notes to financial statements.				

SUWANNEE COUNTY, FLORIDA

**ROAD AND BRIDGE CONSTRUCTION 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
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ -	\$ -	\$ 5,535	\$ 5,535
Miscellaneous	-	-	4,000	\$ 4,000
Interest	-	-	2,746	2,746
Total revenues	-	-	12,281	12,281
EXPENDITURES				
Current expenditures				
Transportation	500,000	35,902	161,709	(125,807)
Capital outlay				
Transportation	2,180,873	2,644,971	-	2,644,971
Total expenditures	2,680,873	2,680,873	161,709	2,519,164
Net change in fund balance	(2,680,873)	(2,680,873)	(149,428)	2,531,445
Fund balance at beginning of year	2,809,155	2,809,155	2,809,155	-
Fund balance at end of year	\$ 128,282	\$ 128,282	\$ 2,659,727	\$ 2,531,445

See notes to financial statements.

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

	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability		
Retirement	0.0647%	0.0613%
Health insurance subsidy	0.0479%	0.0475%
County's proportionate share of the net pension liability		
Retirement	\$ 8,357,337	\$ 3,740,280
Health insurance subsidy	4,886,732	4,442,614
Total	<u>\$ 13,244,069</u>	<u>\$ 8,182,894</u>
County's covered payroll	\$ 15,447,533	\$ 14,919,721
County's proportionate share of the net pension liability as a percentage of its covered employee payroll	85.74%	54.85%
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.

See notes to the required supplementary information.

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

	<u>2015</u>	<u>2014</u>
Contractually required contributions		
Pension plan	\$ 1,712,712	\$ 960,231.59
Health insurance subsidy	211,846	118,771
	<u>\$ 1,924,558</u>	<u>\$ 1,079,003</u>
Contributions in relation to the contractually required contributions	\$ 1,924,558	\$ 1,768,532
Contribution deficiency	\$ -	\$ -
County's covered employee payroll	\$ 15,447,533	\$ 14,919,721
Contributions as a percentage of covered employee payroll	12.46%	11.85%

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

See notes to the required supplementary information.

SUWANNEE 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 Administrator, 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.

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):

	<u>FRS</u>	<u>HIS</u>
Total Pension Liability	\$161,370,735	\$10,249,201
Plan Fiduciary Net Position	<u>(148,454,394)</u>	<u>(50,774)</u>
Net Pension Liability	<u>\$ 12,916,341</u>	<u>\$10,198,427</u>

Plan Fiduciary Net Position as a Percentage

of the Total Pension Liability	92.00%	0.50%
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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%.

COMBINING STATEMENTS

**SUWANNEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

September 30, 2015

Special Revenue Funds											
	Clerk of the Circuit Court				Property Appraiser	Sheriff				Supervisor of Elections	Tax Collector
		Noncourt Related	Public Records Moderniza- tion Trust	Teen Court		Drug Task Force	Federal Seizure	Inmate Welfare	What Not Grant		
	Juror/Witness	Operating			Operating					Operating	Operating
ASSETS											
Current Assets											
Cash	\$ -	\$ 94,628	\$ 237,497	\$ 280	\$ 79,096	\$ 50,155	\$ 73,345	\$ 212,665	\$ -	\$ 34,711	\$ 227,382
Accounts receivable	-	2,777	-	-	-	-	-	-	-	-	28
Due from other funds	8,099	19,913	1,058	-	-	-	-	7,691	-	-	10,762
Due from other governmental units	845	30,986	-	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	3,830
Total assets	\$ 8,944	\$ 148,304	\$ 238,555	\$ 280	\$ 79,096	\$ 50,155	\$ 73,345	\$ 220,356	\$ -	\$ 34,711	\$ 242,002
LIABILITIES AND FUND BALANCES											
LIABILITIES											
Current Liabilities											
Accounts payable	-	\$ 7,431	\$ 909	\$ -	\$ 37,958	\$ -	\$ -	\$ -	\$ -	\$ 11,820	\$ 19,420
Accrued liabilities	-	2,336	196	-	-	-	-	-	-	-	485
Accrued wages	-	7,675	1,317	-	-	-	-	-	-	-	218,124
Due to other funds	4,505	97,910	3,884	-	40,175	-	-	-	-	17,233	95
Due to other governmental units	-	32,952	210	-	963	-	-	-	-	-	1
Unearned revenues	-	-	-	-	-	-	-	-	-	5,658	-
Other current liabilities	719	-	-	-	-	-	-	-	-	-	3,877
Advances from other funds	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	5,224	148,304	6,516	-	79,096	-	-	-	-	34,711	242,002
FUND BALANCES											
Restricted	-	-	232,039	-	-	50,155	73,345	-	-	-	-
Assigned	3,720	-	-	280	-	-	-	220,356	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	3,720	-	232,039	280	-	50,155	73,345	220,356	-	-	-
Total liabilities and fund balances	\$ 8,944	\$ 148,304	\$ 238,555	\$ 280	\$ 79,096	\$ 50,155	\$ 73,345	\$ 220,356	\$ -	\$ 34,711	\$ 242,002

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2015**

	Special Revenue Funds										Capital Projects Fund	
	Board of County Commissioners											
	911 Addressing	Emergency Management	EMS State Grant	Fire Protection	Law Education	Law Enforcement	Local Housing Assistance	Municipal Services	Tourist Development Trust	Voting Equipment	Renovation Construction	Total Nonmajor Funds
ASSETS												
Current Assets												
Cash	\$ 761,731	\$ 82,286	\$ 5,108	\$ 516,051	\$ 37,146	\$ 134,877	\$ -	\$ 35,056	\$ 104,137	\$ 161,444	\$ 915,255	\$ 3,762,850
Accounts receivable	-	-	-	7,930	-	-	-	-	-	-	-	10,735
Due from other funds	58	-	-	912	520	-	-	3,381	14,029	17,233	-	83,656
Due from other governmental units	31,128	28,031	-	-	-	-	-	303	-	-	54,545	145,838
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	3,830
Total assets	\$ 792,917	\$ 110,317	\$ 5,108	\$ 524,893	\$ 37,666	\$ 134,877	\$ -	\$ 38,740	\$ 118,166	\$ 178,677	\$ 969,800	\$ 4,006,909
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Current Liabilities												
Accounts payable	\$ 471	\$ 2,178	\$ -	\$ 3,930	\$ -	\$ -	\$ -	\$ 1,513	\$ -	\$ -	\$ -	85,630
Accrued liabilities	67	134	-	-	-	-	-	197	-	-	-	3,415
Accrued wages	450	900	-	-	-	-	-	1,323	-	-	-	229,789
Due to other funds	649	1,120	-	-	-	-	3,381	1,896	4,676	-	-	175,524
Due to other governmental units	-	-	-	-	-	-	-	1,446	-	-	-	35,572
Unearned revenues	-	-	-	-	-	-	-	-	-	-	-	5,658
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-	4,596
Advances from other funds	-	-	-	286,125	-	-	-	-	-	-	-	286,125
Total liabilities	1,637	4,332	-	290,055	-	-	3,381	6,375	4,676	-	-	826,309
FUND BALANCES												
Restricted	791,280	105,985	5,108	-	37,666	134,877	(3,381)	-	113,490	-	-	1,540,564
Assigned	-	-	-	-	-	-	-	32,365	-	-	-	256,721
Committed	-	-	-	-	-	-	-	-	-	178,677	969,800	1,148,477
Unassigned	-	-	-	234,838	-	-	-	-	-	-	-	234,838
Total fund balances	791,280	105,985	5,108	234,838	37,666	134,877	(3,381)	32,365	113,490	178,677	969,800	3,180,600
Total liabilities and fund balances	\$ 792,917	\$ 110,317	\$ 5,108	\$ 524,893	\$ 37,666	\$ 134,877	\$ -	\$ 38,740	\$ 118,166	\$ 178,677	\$ 969,800	\$ 4,006,909

See notes to financial statements.

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

	Special Revenue Funds										
	Clerk of the Circuit Court				Property Appraiser	Sheriff			Supervisor of Elections	Tax Collector	
	Noncourt Related		Public Records Modernization	Teen Court	Operating	Drug Task Force	Federal Seizure	Inmate Welfare	What Not Grant	Operating	Operating
	Juror/Witness	Operating	Trust	Court							
REVENUES											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	500	195,351	-	-	-	250	-	-	6,072	8,413	-
Charges for services	-	154,570	53,870	11,792	23,787	-	-	-	-	-	1,050,674
Fines and forfeitures	-	-	44,874	-	-	-	-	-	-	-	-
Miscellaneous	750	2,975	-	-	7,336	13,214	-	131,521	-	-	-
Interest	-	183	-	-	19	96	110	-	-	7	2,676
Total revenues	1,250	353,079	98,744	11,792	31,142	13,560	110	131,521	6,072	8,420	1,053,350
EXPENDITURES											
Current Expenditures											
General government	-	1,138,969	-	-	902,938	-	-	-	-	381,646	1,040,858
Public safety	-	-	-	-	-	3,339	-	57,436	6,072	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-
Court related	11,460	-	270,305	12,003	-	-	-	-	-	-	-
Capital outlay											
General government	-	-	-	-	49,939	-	-	-	-	9,297	12,396
Public safety	-	-	-	-	-	17,325	-	-	-	-	-
Debt service											
Interest	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	11,460	1,138,969	270,305	12,003	952,877	20,664	-	57,436	6,072	390,943	1,053,254
Excess of revenues over (under) expenditures	(10,210)	(785,890)	(171,561)	(211)	(921,735)	(7,104)	110	74,085	-	(382,523)	96
OTHER FINANCING SOURCES (USES)											
Interfund transfers in	13,930	1,045,637	200,695	-	961,910	-	-	-	-	399,756	-
Interfund transfers out	-	(259,747)	(107,002)	-	(40,175)	-	-	-	-	(17,233)	(96)
Total other financing sources (uses)	13,930	785,890	93,693	-	921,735	-	-	-	-	382,523	(96)
Net changes in fund balances	3,720	-	(77,868)	(211)	-	(7,104)	110	74,085	-	-	-
Fund balances at beginning of year	-	-	309,907	491	-	57,259	73,235	146,271	-	-	-
Fund balances at end of year	\$ 3,720	\$ -	\$ 232,039	\$ 280	\$ -	\$ 50,155	\$ 73,345	\$ 220,356	\$ -	\$ -	\$ -
See notes to financial statements.											

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

	Special Revenue Funds										Capital Projects Fund	Total Nonmajor Funds
	911 Addressing	Emergency Management	EMS State Grant	Fire Protection	Law Education	Law Enforcement	Local Housing Assistance	Municipal Services	Tourist Development Trust	Voting Equipment	Renovation Construction	
REVENUES												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 172,638	\$ -	\$ -	\$ 172,638
Special assessments	-	-	-	1,592,963	-	-	-	-	-	-	-	1,592,963
Licenses and permits	-	-	-	-	-	-	-	186,522	-	-	-	186,522
Intergovernmental	60,433	167,968	-	9,008	-	-	385,942	-	-	-	303,816	1,137,753
Charges for services	177,665	-	-	7,751	6,873	-	-	-	-	-	-	1,486,982
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	44,874
Miscellaneous	7,032	-	-	9,200	-	-	-	405	-	-	-	172,433
Interest	720	95	5	1,084	-	138	2,387	-	92	155	727	8,494
Total revenues	245,850	168,063	5	1,620,006	6,873	138	388,329	186,927	172,730	155	304,543	4,802,659
EXPENDITURES												
Current Expenditures												
General government	-	-	-	-	-	-	-	-	-	-	-	3,464,411
Public safety	167,671	175,541	-	589,268	16,856	4,999	-	183,893	-	-	-	1,205,075
Economic environment	-	-	-	-	-	-	416,825	-	113,790	-	-	530,615
Court related	-	-	-	-	-	-	-	-	-	-	-	293,768
Capital outlay												
General government	-	-	-	-	-	-	-	-	-	-	-	71,632
Public safety	-	7,537	-	61,606	-	-	-	-	-	-	-	86,468
Debt service												
Interest	-	-	-	375	-	-	-	-	-	-	-	375
Total expenditures	167,671	183,078	-	651,249	16,856	4,999	416,825	183,893	113,790	-	-	5,652,344
Excess of revenues over (under) expenditures	78,179	(15,015)	5	968,757	(9,983)	(4,861)	(28,496)	3,034	58,940	155	304,543	(849,685)
OTHER FINANCING SOURCES (USES)												
Interfund transfers in	-	23,000	-	20,059	-	-	-	-	-	25,076	-	2,690,063
Interfund transfers out	-	-	-	(825,179)	-	-	-	-	(10,000)	-	-	(1,259,432)
Total other financing sources (uses)	-	23,000	-	(805,120)	-	-	-	-	(10,000)	25,076	-	1,430,631
Net changes in fund balances	78,179	7,985	5	163,637	(9,983)	(4,861)	(28,496)	3,034	48,940	25,231	304,543	580,946
Fund balances at beginning of year	713,101	98,000	5,103	71,201	47,649	139,738	25,115	29,331	64,550	153,446	665,257	2,599,654
Fund balances at end of year	<u>\$ 791,280</u>	<u>\$ 105,985</u>	<u>\$ 5,108</u>	<u>\$ 234,838</u>	<u>\$ 37,666</u>	<u>\$ 134,877</u>	<u>\$ (3,381)</u>	<u>\$ 32,365</u>	<u>\$ 113,490</u>	<u>\$ 178,677</u>	<u>\$ 969,800</u>	<u>\$ 3,180,600</u>
See notes to financial statements.												

SINGLE AUDIT AND COMPLIANCE SECTION

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

To the Board of County Commissioners
and Constitutional Officers
Suwannee 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 Suwannee County, Florida, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise Suwannee County, Florida's basic financial statements, and have issued our report thereon dated April 29, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Suwannee 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 Suwannee County, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of Suwannee 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.

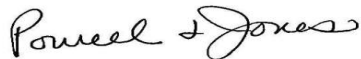
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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 Suwannee County, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
April 29, 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
Suwannee County, Florida**

Report on Compliance for Each Major State Project

We have audited the compliance of Suwannee 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. Suwannee County, Florida's major State project is identified in the summary of auditors' results section of the accompanying Schedule of Findings.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on Suwannee 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 Suwannee 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 Suwannee County, Florida's compliance.

Opinion on Each Major State Project

In our opinion, Suwannee 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 Suwannee 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 Suwannee 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 Suwannee 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 Suwannee County, Florida's management, State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

POWELL & JONES, CPAs
April 29, 2016

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

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

Report on Compliance for Each Major Federal Program

We have audited Suwannee 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 Suwannee County, Florida's major federal programs for the fiscal year ended September 30, 2015. Suwannee County, Florida's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Suwannee 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 Suwannee 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 Suwannee County, Florida's compliance.

Opinion on Each Major Federal Program

In our opinion, Suwannee 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.

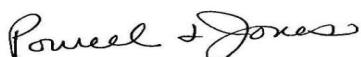
Report on Internal Control Over Compliance

Management of Suwannee 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 Suwannee 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 Suwannee County, Florida's internal control over compliance.

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

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

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



POWELL & JONES
Certified Public Accountants
April 29, 2016

SUWANNEE 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 OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	UNEARNED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	UNEARNED REVENUES 9/30/2015
Program Title	CFDA#	GRANT #						
FEDERAL AWARDS								
US Forestry Service								
passed through Florida Department of Agriculture and Consumer Service								
Volunteer Fire Assistance Grant	10.664	FY 2014-2015	\$ 2,400	\$ -	\$ -	\$ 2,400	\$ 2,400	-
	10.664	N/A	4,620	-	-	4,620	4,620	-
			<u>7,020</u>	<u>-</u>	<u>-</u>	<u>7,020</u>	<u>7,020</u>	<u>-</u>
US Department of Housing and Urban Development								
passed through Florida Department of Economic Opportunity								
Community Development Block Grant	14.228	13DB-OH-03-71-01-E 16	3,000,000	1,214,420	-	1,782,221	1,782,221	-
			<u>3,000,000</u>	<u>1,214,420</u>	<u>-</u>	<u>1,782,221</u>	<u>1,782,221</u>	<u>-</u>
US Department of Justice								
US Drug Enforcement Administration								
passed through the Office of Agricultural Law Enforcement								
Domestic Marijuana Eradication Program	16.004	N/A	250	-	-	250	250	-
US Department of Justice								
passed through the State of Florida Attorney General								
Victim of Crime Act	16.575	V101-14048	38,775	-	-	38,033	38,033	-
passed through Florida Department of Law Enforcement								
State Criminal Alien Assistance Program	16.606	2014-AP-BX-0249	9,277	-	-	9,277	9,277	-
Byrne Memorial JAG Drug Task Force	16.738	2015-JAGC-SUWA-1-R3-064	46,881	-	-	46,881	46,881	-
Total U.S. Department of Justice			<u>95,183</u>	<u>-</u>	<u>-</u>	<u>94,441</u>	<u>94,441</u>	<u>-</u>
US Elections Assistance Commission								
Passed through the Florida Department of State Division of Elections								
Help America Vote Act	90.401	FY 2013/2014	4,197	-	-	-	4,197	-
Help America Vote Act	90.401	FY 2014/2015	6,295	-	-	6,295	637	5,658
			<u>4,197</u>	<u>-</u>	<u>-</u>	<u>6,295</u>	<u>4,197</u>	<u>5,658</u>
US Department of Health and Human Services								
Passes through the Florida Department of Revenue								
Title IV-D Funds	93.563	FY 2014-2015	195,351	-	-	195,351	195,351	-
Passed through the Florida Department of State Division of Elections								
Voting Access for Individuals with Disabilities	93.617	FY 2014/2015	2,298	-	-	2,298	2,298	-
Total U.S. Department of Health and Human Services			<u>197,649</u>	<u>-</u>	<u>-</u>	<u>197,649</u>	<u>197,649</u>	<u>-</u>
U.S. Department of Homeland Security								
passed through the Florida Department of Community Affairs								
Homeland Security Grant	97.067	14-DS-L5-03-71-01-314	10,900	-	-	10,900	10,900	-
passed through the Florida Division of Emergency Management								
Emergency Management Planning Assistance	97.042	15-FG-4D-03-71-01-128	48,360	-	-	48,360	48,360	-
Total US Department of Homeland Security			<u>59,260</u>	<u>-</u>	<u>-</u>	<u>59,260</u>	<u>59,260</u>	<u>-</u>
Federal Emergency Management Agency								
pass through the Florida Department of Community Affairs								
Tropical Storm Debby Reimbursement	97.036	13-DB-73-03-71-02-626	113,747	-	-	113,747	113,747	-
			<u>113,747</u>	<u>-</u>	<u>-</u>	<u>113,747</u>	<u>113,747</u>	<u>-</u>
Total Federal Awards			<u>3,477,056</u>	<u>1,214,420</u>	<u>-</u>	<u>2,260,633</u>	<u>2,258,535</u>	<u>5,658</u>

(Continued)

SUWANNEE 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	CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	UNEARNED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	UNEARNED REVENUES 9/30/2015
STATE OF FLORIDA FINANCIAL ASSISTANCE								
Division of Emergency Management								
Emergency Management Program	31.063	15-BG-83-03-71-01-061	\$ 105,806	\$ -	\$ -	\$ 105,806	\$ 105,806	\$ -
Hazardous Material Grant	31.067	15-CP-11-03-71-01-191	1,661	-	-	1,661	1,661	-
Total Division of Emergency Management			<u>107,467</u>	<u>-</u>	<u>-</u>	<u>107,467</u>	<u>107,467</u>	<u>-</u>
Department of Environmental Protection								
Small County Solid Waste Grant Agreement	37.012	528SC	90,909	-	-	90,909	90,909	-
			<u>90,909</u>	<u>-</u>	<u>-</u>	<u>90,909</u>	<u>90,909</u>	<u>-</u>
Department of Economic Opportunity								
Rural Infrastructure Grant Sinkhole Remediation	40.013	D-0057	900,000	186,674	-	351,895	351,895	-
Department of State								
Division of Library Information Services								
State Aid to Libraries Operating/Equalization Grant-County	45.030	15-ST-86	628,227	-	-	628,227	628,227	-
State Aid to Libraries Operating/Equalization Grant-Regional	45.030	15-ST-83	350,000	-	-	350,000	350,000	-
Total Department of State			<u>978,227</u>	<u>-</u>	<u>-</u>	<u>978,227</u>	<u>978,227</u>	<u>-</u>
State Housing Initiatives Program								
SHIP Funds 2012 (FYE 6/30/12)	52.901	2011/2012	350,000	325,000	25,000	-	25,000	-
SHIP Funds 2013 (FYE 6/30/13)	52.901	2012/2013	375,000	313,943	61,057	-	61,057	-
SHIP Funds 2014 (FYE 6/30/14)	52.901	2013/2014	350,000	-	350,000	-	330,768	19,232
	52901	2014/2015	350,000	-	-	350,000	-	350,000
Total State Housing Initiatives Program			<u>1,425,000</u>	<u>638,943</u>	<u>436,057</u>	<u>350,000</u>	<u>416,825</u>	<u>369,232</u>
Florida Department of Transportation								
Public Transportation Joint Participation Agreements								
Economic Development Transportation Projects								
169th Road Improvement	55.032	AQY06	3,000,000	1,150,998	-	431,025	431,025	-
Airport Water Master Plan	55.004	ARM07	100,000	-	-	68,919	68,919	-
Public Transportation Joint Participation Agreements								
Turn Lanes	55.023	AQ113	1,637,706	121,155	-	50,000	50,000	-
County Incentive Grant Program	55.008	AR 115	3,959,630	-	-	40,856	40,856	-
Small County Outreach Program Grant (SCOP)	55.009	430688-1-58-01	3,260,437	41,180	-	130,791	130,791	-
Small County Outreach Program Grant (SCOP)	55.009	AQX19	1,000,000	915,683	-	84,317	84,317	-
Small County Outreach Program Grant (SCOP)	55.009	AQV66	2,397,457	31,700	-	1,932,527	1,932,527	-
Small County Outreach Program Grant (SCOP)	55.009	436510-1-58-01	288,724	-	-	16,599	16,599	-
Small County Outreach Program Grant (SCOP)	55.009	ARQ17	1,004,205	-	-	35,988	35,988	-
Small County Road Assistance Program (SCRAP)	55.016	430735-1-58-01; 430734-1-58-01;430722-1-58-01	787,200	-	-	70,848	70,848	-
Small County Road Assistance Program (SCRAP)	55.016	426034-1-58-01	1,309,981	-	-	52,400	52,400	-
Total Florida Department of Transportation			<u>18,745,340</u>	<u>2,260,716</u>	<u>-</u>	<u>2,914,270</u>	<u>2,914,270</u>	<u>-</u>
Department of Health/Bureau of Emergency Medical Services								
EMS Matching Awards								
Ambulance Grant	64.003	M3024	100,000	-	-	100,000	100,000	-
EMS Rural Matching Grant- Life Pak	64.003	R3023	10,909	-	-	10,909	10,909	-
Total Department of Health/Bureau of Emergency Medical Services			<u>110,909</u>	<u>-</u>	<u>-</u>	<u>110,909</u>	<u>110,909</u>	<u>-</u>
Department of Law Enforcement								
Violent Crime and Drug Control- Operation What Not	71.005	2015	15,071	-	6,071	-	6,071	-
			<u>15,071</u>	<u>-</u>	<u>6,071</u>	<u>-</u>	<u>6,071</u>	<u>-</u>
Department of Management Services/Wireless 911 Board								
E-911 Maintenance Mapping Grant	72.002	15-4-21	60,435	-	-	60,435	59,637	-
Rural County 911 Wire Surcharge	N/A	N/A	86,104	-	-	86,104	86,104	-
Rural County 911 Wireless Surcharge	N/A	N/A	91,560	-	-	91,560	91,560	-
			<u>238,099</u>	<u>-</u>	<u>-</u>	<u>238,099</u>	<u>237,301</u>	<u>-</u>
Total State Financial Assistance			<u>22,611,023</u>	<u>3,086,333</u>	<u>442,128</u>	<u>5,141,777</u>	<u>5,213,875</u>	<u>369,232</u>
Total Federal Awards and State Financial Assistance			<u>\$ 26,088,079</u>	<u>\$ 4,300,753</u>	<u>\$ 442,128</u>	<u>\$ 7,402,410</u>	<u>\$ 7,472,410</u>	<u>\$ 374,890</u>

See notes to schedule of expenditures of federal awards and state financial assistance.

SUWANNEE 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 Suwannee 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 Suwannee 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 relates 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.

**SUWANNEE 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
- Reportable condition identified not considered to be material weaknesses? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness identified? No
- Reportable condition identified that are not considered to be material weaknesses? None reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? No

Identification of major programs:

CFDA Number

Name of Federal Programs

93.563

U.S. Department of Health and Human Services
Title IV-D

14.228

U.S. Department of Housing and Urban Development
Community Development Block Grant

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

Auditee qualified as low-risk auditee? Yes

Financial Statement Findings

None

Federal Awards Findings and Questioned Costs

None

SUWANNEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2015
(continued)

State Financial Assistance

Internal control over major projects:

- Material weaknesses identified? No
- Reportable conditions identified that are not considered to be material weaknesses? None reported

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

<u>CSFA/Number</u>	<u>Name of State of Florida Programs</u>
	<u>Office of the Governor</u>
	Division of Emergency Management
31.063	Emergency Management Program
	<u>Department of Health/Bureau of Emergency Medical Services</u>
64.003	EMS Matching Awards
	<u>Department of Transportation</u>
55.009	Small County Outreach Program
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
Suwannee County, Florida

We have audited the financial statements of the Suwannee County, Florida, as of and for the year ended September 30, 2015, and have issued our report thereon dated April 29, 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 State Financial Assistance Project, and Schedule of Findings. Disclosures in those reports and schedule, which are dated April 29, 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

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings during the current year.

CLERK OF THE CIRCUIT COURT

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

PROPERTY APPRAISER**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SHERIFF**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SUPERVISOR OF ELECTIONS**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

TAX COLLECTOR**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

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 Suwannee County, Florida, for the year ended September 30, 2015.

Financial Emergency Status – We have determined that Suwannee County, Florida 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 to the Council's financial statements. 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.

Deteriorating Financial Conditions as defined by Rule 10.554(2)(f):

We noted no deteriorating financial condition within the County during the year.

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



POWELL & JONES

Certified Public Accountants

April 29, 2016

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of County Commissioners
Suwannee County, Florida

We have examined the Suwannee 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 to 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, Suwannee County, Florida and the Suwannee 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 Suwannee County, Florida, the Clerk, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
April 29, 2016

CLERK OF THE CIRCUIT COURT

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2015

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**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

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 Clerk of the Circuit Court
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee 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.

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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, Suwannee 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 Suwannee 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 3, 2016, on our consideration of the Clerk of the Circuit Courts' 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 Courts' 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.

A rectangular box containing a handwritten signature in dark ink. The signature appears to read "Powell & Jones" in a cursive script.

POWELL & JONES

Certified Public Accountants

April 3, 2016

COMBINED FINANCIAL STATEMENTS

SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINED BALANCE SHEET – ALL FUND TYPES
September 30, 2015

	<u>Governmental Funds</u>		<u>Fiduciary Funds</u>	
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Agency Funds</u>	<u>Totals</u>
ASSETS				
Current assets				
Cash	\$ 166,784	\$ 332,395	\$ 569,282	\$ 1,068,461
Accounts receivable	-	2,777	-	2,777
Due from individuals	-	-	52	52
Due from other funds	28,122	24,565	87	52,774
Due from other governmental units	-	31,831	-	31,831
Total assets	<u>\$ 194,906</u>	<u>\$ 391,568</u>	<u>\$ 569,421</u>	<u>\$ 1,155,895</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 5,321	\$ 8,314	\$ -	\$ 13,635
Due to individuals	-	719	420,078	420,797
Accrued liabilities	9,876	11,550	-	21,426
Due to other funds	21,162	31,600	12	52,774
Due to Board of County Commissioners	915	66,809	-	67,724
Due to other governmental units	123,265	36,539	-	159,804
Deposits	34,123	-	149,331	183,454
Other current liabilities	244	-	-	244
Total liabilities	<u>194,906</u>	<u>155,531</u>	<u>569,421</u>	<u>919,858</u>
FUND BALANCES				
Restricted	-	235,756	-	235,756
Committed	-	281	-	281
Total fund balances	<u>-</u>	<u>236,037</u>	<u>-</u>	<u>236,037</u>
Total liabilities and fund balance	<u>\$ 194,906</u>	<u>\$ 391,568</u>	<u>\$ 569,421</u>	<u>\$ 1,155,895</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
September 30, 2015**

	General Fund	Special Revenue Funds	Totals
REVENUES			
Intergovernmental	\$ 176,495	\$ 195,851	\$ 372,346
Charges for services	548,777	265,107	813,884
Fines	338,251	-	338,251
Miscellaneous	15,781	3,908	19,689
Total revenues	<u>1,079,304</u>	<u>464,866</u>	<u>1,544,170</u>
EXPENDITURES			
Current expenditures			
General government	-	441,410	441,410
Court related	1,184,474	991,330	2,175,804
Total expenditures	<u>1,184,474</u>	<u>1,432,740</u>	<u>2,617,214</u>
Excess of revenues over (under) expenditures	<u>(105,170)</u>	<u>(967,874)</u>	<u>(1,073,044)</u>
OTHER FINANCING SOURCES (USES)			
Transfer from Board of County Commissioners	11,143	987,540	998,683
Interfund transfers in	287,819	207,722	495,541
Interfund transfers out	(193,792)	(301,749)	(495,541)
Total other financing sources (uses)	<u>105,170</u>	<u>893,513</u>	<u>998,683</u>
Net change in fund balances	-	(74,361)	(74,361)
Fund balances at beginning of year	-	310,398	310,398
Fund balances at end of year	<u>\$ -</u>	<u>\$ 236,037</u>	<u>\$ 236,037</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE 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	\$ 268,961	\$ 176,495	\$ (92,466)	\$ 286,133	\$ 195,851	\$ (90,282)
Charges for services	513,050	548,777	35,727	295,874	265,107	(30,767)
Fines	327,540	338,251	10,711	-	-	-
Miscellaneous	20,300	15,781	(4,519)	1,275	3,908	2,633
Total revenues	<u>1,129,851</u>	<u>1,079,304</u>	<u>(50,547)</u>	<u>583,282</u>	<u>464,866</u>	<u>(118,416)</u>
EXPENDITURES						
Current expenditures						
General government	-	-	-	441,409	441,410	1
Court related	1,184,474	1,184,474	-	980,093	991,330	11,237
Total expenditures	<u>1,184,474</u>	<u>1,184,474</u>	<u>-</u>	<u>1,421,502</u>	<u>1,432,740</u>	<u>11,238</u>
Excess of revenues over (under) expenditures	<u>(54,623)</u>	<u>(105,170)</u>	<u>(50,547)</u>	<u>(838,220)</u>	<u>(967,874)</u>	<u>(129,654)</u>
OTHER FINANCING SOURCES (USES)						
Transfers from Board of County Commissioners	11,143	11,143	-	987,540	987,540	-
Interfund transfers in	237,272	287,819	50,547	144,289	207,722	63,433
Interfund transfers out	(193,792)	(193,792)	-	(293,509)	(301,749)	(8,240)
Total other financing sources (uses)	<u>54,623</u>	<u>105,170</u>	<u>50,547</u>	<u>838,320</u>	<u>893,513</u>	<u>55,193</u>
Net change in fund balances	-	-	-	100	(74,361)	(74,461)
Fund balance at beginning of year	-	-	-	310,398	310,398	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,498</u>	<u>\$ 236,037</u>	<u>\$ (74,461)</u>

See notes to financial statements.

SUWANNEE 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 Suwannee 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," 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 Suwannee County, Florida. The Clerk's financial statements do not purport to reflect the financial position or the results of operations of Suwannee 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 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:

Jury and Witness Fund
Public Records Modernization Trust Fund
Teen Court Fund
Non-Court Related Operating Fund

(ii) **Fiduciary Funds**

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

Domestic Relations Fund
Tax Deed Fund
Registry of Court Fund

C. Basis of Accounting - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Clerk of the Circuit Court currently maintains the 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 appropriated budget, which includes appropriations to the General Fund of the Clerk of the Circuit Court.

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 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 \$1,068,461, and the bank balances were \$1,113,527. This bank balance was covered by federal depository insurance and pledged collateral from 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 County's capital assets records, except for any 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 capital assets in the governmental funds. Assets purchased by the Clerk of the Circuit Court are reported in the County's capital assets.

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 \$260,938 is reported in governmental long-term liabilities of Suwannee 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 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 Suwannee 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 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 \$210,835, \$191,128, and \$88,523, respectively, equal to the required contributions for each year. Full information on the System is contained in the Suwannee County County-wide Financial Report.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2015, were:

	Interfund Receivables	Interfund Payables
General Fund	\$ 28,122	\$ 21,162
Public Records Modernization		
Trust Fund	1,058	500
Domestic Relations Fund	8	12
Tax Deed Fund	9	-
Registry of Court Fund	70	-
Non-Court Related Operating Fund	15,408	31,100
Jury and witness	8,099	-
	<u>\$ 52,774</u>	<u>\$ 52,774</u>

NOTE 4. LEASE COMMITMENTS

The Clerk has various leases for equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the fiscal year totaled \$21,715. Future minimum lease payments for these leases are as follows:

Year Ending September 30	Minimum Lease Payments
2016	\$ 20,784
2017	15,270
2018	9,573
Total	<u>\$ 45,627</u>

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 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:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Unassigned</u>	<u>Total</u>
General	\$ -	\$ -	\$ -	\$ -	\$ -
Public Records					
Modernization Trust	-	232,036	-	-	232,036
Teen Court	-	-	281	-	281
Non-court related	-	-	-	-	-
Jury and witness	-	3,720	-	-	3,720
	<u>\$ -</u>	<u>\$ 235,756</u>	<u>\$ 281</u>	<u>\$ -</u>	<u>\$ 236,037</u>

COMBINING AND INDIVIDUAL FUND STATEMENTS

GENERAL FUND

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
GENERAL FUND
BALANCE SHEET
September 30, 2015**

ASSETS

Current assets	
Cash	\$ 166,784
Due from other funds	28,122
Total assets	<u>\$ 194,906</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities	
Accounts payable	\$ 5,321
Accrued liabilities	9,876
Due to other funds	21,162
Due to Board of County Commissioners	915
Due to other governmental units	123,265
Deposits	34,123
Other current liabilities	244
Total liabilities	<u>194,906</u>
 Fund balance	 -
Total liabilities and fund balance	<u><u>\$ 194,906</u></u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30,2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental				
State grants				
State court reimbursement	\$ 268,961	\$ 268,961	\$ 176,495	\$ (92,466)
Total intergovernmental	268,961	268,961	176,495	(92,466)
Charges for services				
Circuit Criminal	18,390	18,390	22,534	4,144
County Criminal Misdemeanor	84,555	84,555	99,708	15,153
Circuit Civil	101,916	101,916	77,223	(24,693)
Probate	37,405	37,405	31,209	(6,196)
Domestic Relations	3,042	3,042	3,682	640
County Civil	103,584	103,584	119,219	15,635
Civil Traffic	111,445	111,445	139,848	28,403
Court Service Reimbursements	52,713	52,713	55,354	2,641
Total charges for services	513,050	513,050	548,777	35,727
Fines				
Circuit Criminal	128,844	128,844	150,894	22,050
County Criminal Misdemeanor	100,320	100,320	77,332	(22,988)
County Civil and Traffic	98,376	98,376	110,025	11,649
Total fines	327,540	327,540	338,251	10,711
Miscellaneous	20,000	20,000	10,300	(9,700)
Interest	300	300	5,481	5,181
	20,300	20,300	15,781	(4,519)
Total revenues	1,129,851	1,129,851	1,079,304	(50,547)
EXPENDITURES				
Court related				
Personnel services	1,068,748	1,098,133	1,097,359	774
Operating expenses	61,349	86,340	87,115	(775)
Total expenditures	1,130,097	1,184,473	1,184,474	(1)
Excess of revenues over (under) expenditures	(246)	(54,622)	(105,170)	(50,548)
OTHER FINANCING SOURCES				
(USES)				
Transfer in from other funds	190,959	237,271	287,819	50,548
Transfer in from Board of County Commissioners	11,143	11,143	11,143	-
Operating transfers out	197,856	(193,792)	(193,792)	-
Total other financing sources (Uses)	399,958	54,622	105,170	50,548
Net change in fund balance	399,712	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ 399,712	\$ -	\$ -	\$ -

See notes to financial statements.

SPECIAL REVENUE FUNDS

**SUWANNEE COUNTY FLORIDA
CLERK OF THE CIRCUIT COURT
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2015**

	Noncourt Related Operating	Public Records Modernization Trust	Jury and Witness	Teen Court	Totals
ASSETS					
Current assets					
Cash	\$ 99,122	\$ 237,497	\$ (4,505)	\$ 281	\$ 332,395
Accounts receivable	2,777	-	-	-	2,777
Due from other funds	15,408	1,058	8,099	-	24,565
Due from other governmental units	30,986	-	845	-	31,831
Total assets	<u>\$ 148,293</u>	<u>\$ 238,555</u>	<u>\$ 4,439</u>	<u>\$ 281</u>	<u>\$ 391,568</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Current liabilities					
Accounts payable	\$ 7,404	\$ 910	\$ -	\$ -	\$ 8,314
Accrued liabilities	10,037	1,513	-	-	11,550
Due to individuals	-	-	719	-	719
Due to other funds	31,101	500	-	-	31,601
Due to other governmental units	99,751	3,596	-	-	103,347
Total liabilities	<u>148,293</u>	<u>6,519</u>	<u>719</u>	<u>-</u>	<u>155,531</u>
FUND BALANCES					
Restricted	-	232,036	3,720	-	235,756
Assigned	-	-	-	281	281
Total fund balances	<u>-</u>	<u>232,036</u>	<u>3,720</u>	<u>281</u>	<u>236,037</u>
Total liabilities and fund balances	<u>\$ 148,293</u>	<u>\$ 238,555</u>	<u>\$ 4,439</u>	<u>\$ 281</u>	<u>\$ 391,568</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2015**

	Noncourt Related Operating	Public Records Modernization Trust	Jury and Witness	Teen Court	Totals
REVENUES					
Intergovernmental	\$ 195,351	\$ -	\$ 500	\$ -	\$ 195,851
Total intergovernmental	195,351	-	500	-	195,851
 Charges for services					
County Officer fees					
Fees	-	-	-	11,793	11,793
Recording	1,766	14,384	-	-	16,150
Certified copies	110,121	-	-	-	110,121
Passport	9,500	-	-	-	9,500
Documentary stamps	5,481	-	-	-	5,481
Intangible tax	1,140	-	-	-	1,140
Marriage licenses	8,736	-	-	-	8,736
Tax deed sales	14,966	-	-	-	14,966
Information technology	-	39,485	-	-	39,485
Microfilming	2,190	-	-	-	2,190
Other	671	44,874	-	-	45,545
Total charges for services	154,571	98,743	-	11,793	265,107
 Miscellaneous					
Miscellaneous revenue	2,975	-	750	-	3,725
Interest	183	-	-	-	183
Total miscellaneous	3,158	-	750	-	3,908
 Total revenues	353,080	98,743	1,250	11,793	464,866
 EXPENDITURES					
General government					
Clerk to Board					
Personnel services	407,172	-	-	-	407,172
Operating expenses	34,238	-	-	-	34,238
Total Clerk to Board	441,410	-	-	-	441,410

(Continued)

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2015**

	Noncourt Related Operating	Public Records Modernization Trust	Jury and Witness	Teen Court	Totals
Official records					
Personnel services	\$ 213,240	\$ -	\$ -	\$ -	\$ 213,240
Operating expenses	113,179	-	-	-	113,179
Total official records	326,419	-	-	-	326,419
Jury and witness					
Operating expenses	-	-	11,460	-	11,460
Total jury and witness	-	-	11,460	-	11,460
Teen court					
Operating expenses	-	-	-	12,003	12,003
Total teen court	-	-	-	12,003	12,003
Records management					
Operating expenses	-	67,797	-	-	67,797
Total records management	-	67,797	-	-	67,797
Noncourt related information technology					
Personnel expenses	-	143,805	-	-	143,805
Operating expenses	-	58,705	-	-	58,705
Total noncourt related information technology	-	202,510	-	-	202,510
Noncourt administration					
Personnel services	366,473	-	-	-	366,473
Operating expenses	4,668	-	-	-	4,668
Total noncourt administration	371,141	-	-	-	371,141
Total expenditures	1,138,970	270,307	11,460	12,003	1,432,740

(Continued)

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2015**

	Noncourt Related Operating	Public Records Modernization Trust	Jury and Witness	Teen Court	Totals
Excess of revenues over (under) expenditures	<u>\$ (785,890)</u>	<u>\$ (171,564)</u>	<u>\$ (10,210)</u>	<u>\$ (210)</u>	<u>\$ (967,874)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	193,792	-	13,930	-	207,722
Operating transfers out	(194,747)	(107,002)	-	-	(301,749)
Transfers from Board of County Commissioners	<u>786,845</u>	<u>200,695</u>	<u>-</u>	<u>-</u>	<u>987,540</u>
Total other financing sources (uses)	<u>785,890</u>	<u>93,693</u>	<u>13,930</u>	<u>-</u>	<u>893,513</u>
Net change in fund balances	-	(77,871)	3,720	(210)	(74,361)
Fund balances at beginning of year	-	309,907	-	491	310,398
Fund balances at end of year	<u>\$ -</u>	<u>\$ 232,036</u>	<u>\$ 3,720</u>	<u>\$ 281</u>	<u>\$ 236,037</u>

See notes to financial statements.

AGENCY FUNDS

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2015**

	<u>Domestic Relations</u>	<u>Tax Deed</u>	<u>Registry</u>	<u>Total</u>
ASSETS				
Cash	\$ 77	\$ 149,322	\$ 419,883	\$ 569,282
Due from individuals	52	-	-	52
Due from other funds	8	9	70	87
Total assets	<u>\$ 137</u>	<u>\$ 149,331</u>	<u>\$ 419,953</u>	<u>\$ 569,421</u>
LIABILITIES				
Due to individuals	\$ 125	\$ -	\$ 419,953	\$ 420,078
Due to other funds	12	-	-	12
Due to other governmental units	-	-	-	-
Deposits	-	149,331	-	149,331
Total liabilities	<u>\$ 137</u>	<u>\$ 149,331</u>	<u>\$ 419,953</u>	<u>\$ 569,421</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
AGENCY FUNDS
COMBINING STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2015**

	Balance October 1, 2014	Additions	Deductions	Balance September 30, 2015
DOMESTIC RELATIONS				
ASSETS				
Cash	\$ 3,210	\$ 260,858	\$ 263,991	\$ 77
Due from individuals	52	-	-	52
Due from other funds	10	231	233	8
Total assets	\$ 3,272	\$ 261,089	\$ 264,224	\$ 137
Liabilities				
Due to individuals	\$ -	\$ -	\$ 125	\$ 125
Due to other funds	-	4,475	4,487	12
Deposits	-	-	-	-
Due to other governmental units	3,272	3,272	-	-
Total liabilities	\$ 3,272	\$ 7,747	\$ 4,612	\$ 137
TAX DEED				
ASSETS				
Cash	\$ 64,655	\$ 324,585	\$ 239,918	\$ 149,322
Due from other funds	11	115	117	9
Total assets	\$ 64,666	\$ 324,700	\$ 240,035	\$ 149,331
Liabilities				
Deposits	\$ 64,666	\$ 258,383	\$ 343,048	\$ 149,331
Total liabilities	\$ 64,666	\$ 258,383	\$ 343,048	\$ 149,331
REGISTRY OF COURT				
ASSETS				
Cash	\$ 384,105	\$ 450,058	\$ 414,280	\$ 419,883
Due from other funds	6,070	-	6,000	70
Total assets	\$ 390,175	\$ 450,058	\$ 420,280	\$ 419,953
Liabilities				
Due to individuals	\$ 390,175	\$ 419,610	\$ 449,388	\$ 419,953
Total liabilities	\$ 390,175	\$ 419,610	\$ 449,388	\$ 419,953

See notes to financial statements.

SUWANNEE 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
TOTALS - ALL FUNDS				
Assets				
Cash	\$ 451,970	\$ 1,035,501	\$ 918,189	\$ 569,282
Due from individuals	52	-	-	52
Due from other funds	6,091	346	6,350	87
Total assets	<u><u>\$ 458,113</u></u>	<u><u>\$ 1,035,847</u></u>	<u><u>\$ 924,539</u></u>	<u><u>\$ 569,421</u></u>
Liabilities				
Due to individuals	\$ 390,175	\$ 419,610	\$ 449,513	\$ 420,078
Due to other funds	-	4,475	4,487	12
Due to other governmental units	3,272	3,272	-	-
Deposits	64,666	258,383	343,048	149,331
Total liabilities	<u><u>\$ 458,113</u></u>	<u><u>\$ 685,740</u></u>	<u><u>\$ 797,048</u></u>	<u><u>\$ 569,421</u></u>

See notes to financial statements.

COMPLIANCE SECTION

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

To the Clerk of the Circuit Court
Suwannee 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 Suwannee 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 Suwannee County Clerk of the Circuit Court's basic financial statements, and have issued our report thereon dated April 3, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

Purpose of this Report

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

A handwritten signature in cursive script, reading "Powell & Jones", enclosed within a rectangular border.

POWELL & JONES

Certified Public Accountants

April 3, 2016

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

Honorable Clerk of the Circuit Court
Suwannee County, Florida

We have audited the financial statements of the Suwannee 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 3, 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 Suwannee 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.

A handwritten signature in cursive script, reading "Powell & Jones", is enclosed within a rectangular box. The signature is written in dark ink on a light background.

POWELL & JONES
Certified Public Accountants
April 3, 2016

REVISED INDEPENDENT ACCOUNTANT'S REPORT

Honorable Clerk of the Circuit Court
Suwannee County, Florida

We have examined the Suwannee 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 Section 28.35 and 28.36, *Florida Statutes*, regarding the Clerk of Courts performance standards and budget (required by Section 10.556(10)(c) *Rules of the Auditor General*); 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*.

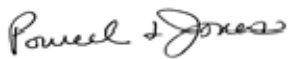
We have also examined the Clerk's compliance with Section 61.181, *Florida Statutes*, regarding a depository for alimony, support, and maintenance transactions (required by Section 10.556(10)(d), *Rules of the Auditor General*).

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 Suwannee 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 Suwannee County, Florida, the Clerk, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
October 31, 2016

PROPERTY APPRAISER

**SUWANNEE COUNTY, FLORIDA
PROPERTY APPRAISER**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2015

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Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
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INDEPENDENT AUDITOR'S REPORT

Honorable Property Appraiser
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee County Property Appraiser (the Property Appraiser), 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.

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

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

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Property Appraiser is part of the reporting entity, Suwannee 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 Suwannee 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 a report dated November 23, 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, 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 Property Appraiser's internal control over financial reporting and on compliance.

A handwritten signature in cursive script, appearing to read "Powell & Jones", is enclosed within a rectangular box.

POWELL & JONES
Certified Public Accountants
November 23, 2015

GENERAL FUND

SUWANNEE COUNTY, FLORIDA

PROPERTY APPRAISER

**GENERAL FUND
BALANCE SHEET
September 30, 2015**

ASSETS

Cash	\$ 79,096
------	-----------

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities

Accounts payable	37,958
------------------	--------

Due to other governmental units	41,138
---------------------------------	--------

Total current liabilities	79,096
---------------------------	--------

FUND BALANCE

Total liabilities and fund balance	\$ -
------------------------------------	------

See notes to financial statements.

SUWANNEE 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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenue			
Charges for services			
General government			
Sale of maps	\$ -	\$ 2,632	\$ 2,632
Suwannee River Water Management District	-	22,118	22,118
Total charges for services	-	24,750	24,750
Miscellaneous			
Interest	-	19	19
Miscellaneous	-	7,336	7,336
Total miscellaneous	-	7,355	7,355
Total revenues	-	32,105	32,105
EXPENDITURES			
General government			
Financial and administrative			
Personnel services			
Executive salaries	107,169	107,169	-
Regular salaries	363,357	362,836	521
FICA	37,734	35,270	2,464
Retirement	81,292	79,721	1,571
Life and health insurance	73,944	80,781	(6,837)
Total personnel services	663,496	665,777	(2,281)
Operating expenses			
Professional services	101,300	119,785	(18,485)
Contractual services	35,305	37,621	(2,316)
Travel and per diem	12,847	9,538	3,309
Communications	8,172	9,419	(1,247)
Postage	12,012	7,228	4,784
Rentals and leases	2,500	1,974	526
Repairs and maintenance	12,518	11,928	590
Printing and binding	5,000	5,735	(735)
Other current charges and obligations	35,260	436	34,824
Office supplies	14,000	18,469	(4,469)
Operating supplies	6,800	5,297	1,503
Books, publications and subscriptions	800	2,199	(1,399)
Education	2,795	2,570	225
Dues and memberships	5,800	4,963	837
Total operating expenses	255,109	237,162	17,947
(Continued)			

SUWANNEE 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

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Capital outlay			
Machinery and equipment	\$ 38,411	\$ 49,939	\$ (11,528)
Total expenditures	<u>957,016</u>	<u>952,878</u>	<u>4,138</u>
 Excess of revenues over (under) expenditures	 (957,016)	 (920,773)	 36,243
 OTHER FINANCING SOURCES			
Transfers to Suwannee River Water Management	-	(962)	(962)
Transfers to Board of County Commissioners	-	(40,175)	(40,175)
Transfers from Board of County Commissioners	<u>957,016</u>	<u>961,910</u>	<u>4,894</u>
 Net changes in fund balance	 -	 -	 -
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA
PROPERTY APPRAISER
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 Suwannee County Property Appraiser (Property Appraiser).

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," 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 Suwannee County, Florida. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of Suwannee County, Florida, taken as a whole.

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

B. Fund Accounting - Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, 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 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.

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 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.

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 \$79,076. 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 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 Property Appraiser 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 is reported in the General Long-Term Debt Accounts of the Board of County Commissioners.

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

J. Risk Management - The Property Appraiser is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Property Appraiser directly purchases insurance and participates in the risk management program through the Suwannee 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 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. Full information on the System is included in the Suwannee County, Florida Financial Report.

Funding Policy - The System is employee non-contributory through June 30, 2011. As of July, 2011, the System requires employee contributions at 3% of gross pay. The Property Appraiser 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 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 \$79,721, \$37,925, and 36,287, respectively, equal to the required contributions for each year.

NOTE 3. LEASE COMMITMENTS

The Property Appraiser has an operating lease agreement for postage equipment with Mail Finance Postage Equipment for 60 months beginning April 10, 2014. Under the terms of this lease, the Property Appraiser is obligated to pay 20 quarterly payments of \$204. The future minimum lease payments at September 30, 2015, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2016	\$ 2,448
2017	2,448
2018	2,448
2019	2,448
	<u>\$ 9,792</u>

The Property Appraiser also has an operating lease with Great American Leasing Corporation for a digital copier which began on August 28, 2014. The lease calls for 48 monthly payments of \$92. The future minimum lease payments at September 30, 2015 are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2016	\$ 1,101
2017	1,101
2018	1,009
	<u>\$ 3,211</u>

COMPLIANCE SECTION

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

To the Property Appraiser
Suwannee 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 Suwannee 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 Suwannee County Property Appraiser's special purpose fund financial statements, and have issued our report thereon dated November 23, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Suwannee 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 the Suwannee County Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Suwannee 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 the Suwannee County Property Appraiser's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

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

Purpose of this Report

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

A handwritten signature in cursive script, reading "Powell & Jones", enclosed within a rectangular border.

POWELL & JONES

Certified Public Accountants
November 23, 2015

MANAGEMENT LETTER

Honorable Property Appraiser
Suwannee County, Florida

We have audited the financial statements of the Suwannee County Property Appraiser, as of and for the year ended September 30, 2015, and have issued our report thereon dated November 23, 2015. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

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 Suwannee County, Florida, for the year ended September 30, 2015. The financial statements of the Property Appraiser are combined with other County agencies in that report.

Financial Emergency Status - We 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 10.544(7)(c) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

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

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

A handwritten signature in cursive script, reading "Powell & Jones", enclosed within a rectangular border.

POWELL & JONES
Certified Public Accountants
November 23, 2015

INDEPENDENT ACCOUNTANT'S REPORT

To The Property Appraiser
Suwannee County, Florida

We have examined the Suwannee 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 Suwannee 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.

A rectangular box containing a handwritten signature in dark ink. The signature appears to read "Powell & Jones" in a cursive script.

POWELL & JONES
Certified Public Accountants
November 23, 2015

SHERIFF

**SUWANNEE COUNTY, FLORIDA
SHERIFF**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2015

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**SUWANNEE COUNTY, FLORIDA
SHERIFF**

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 Sheriff
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee 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, Suwannee County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

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

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Suwannee 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 15, 2016, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and on compliance.

Other Information

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

A handwritten signature in cursive script, appearing to read "Powell & Jones", is enclosed within a rectangular box.

POWELL & JONES
Certified Public Accountants
April 15, 2016

COMBINED FINANCIAL STATEMENTS

**SUWANNEE COUNTY, FLORIDA
SHERIFF
COMBINED BALANCE SHEET – ALL FUND TYPES
September 30, 2015**

	Governmental Fund Types		Fiduciary Fund Types	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	
ASSETS				
Current assets				
Cash	\$ 338,638	\$ 342,237	\$ 127,616	\$ 808,491
Accounts receivable	-	-	155,033	155,033
Due from other funds	-	7,691	-	7,691
Due from other governmental units	20,199	-	-	20,199
Total assets	<u>\$ 358,837</u>	<u>\$ 349,928</u>	<u>\$ 282,649</u>	<u>\$ 991,414</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Due to other funds	\$ -	\$ -	\$ 7,691	\$ 7,691
Due to Board of County Commissioners	330,195	-	2,193	332,388
Deposits	-	-	98,944	98,944
Revenues collected in advance	28,560	6,072	-	34,632
Other current liabilities	82	-	173,821	173,903
Total liabilities	<u>358,837</u>	<u>6,072</u>	<u>282,649</u>	<u>647,558</u>
Fund balance				
Restricted	-	343,856	-	343,856
Total fund balances	<u>-</u>	<u>343,856</u>	<u>-</u>	<u>343,856</u>
Total liabilities and fund balances	<u>\$ 358,837</u>	<u>\$ 349,928</u>	<u>\$ 282,649</u>	<u>\$ 991,414</u>

See notes to financial statements.

**SUWANNEE 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 (Memorandum Only)
REVENUES			
Intergovernmental	\$ 87,061	\$ 6,322	\$ 93,383
Charges for services	19,470	13,214	32,684
Fines and forfeitures	-	7,200	7,200
Miscellaneous	13,985	131,727	145,712
Total revenues	<u>120,516</u>	<u>158,463</u>	<u>278,979</u>
EXPENDITURES			
Current expenditures			
Public Safety	7,706,661	74,047	7,780,708
Capital outlay			
Public Safety	347,933	17,325	365,258
Total expenditures	<u>8,054,594</u>	<u>91,372</u>	<u>8,145,966</u>
Excess of revenues over (under) expenditures	<u>(7,934,078)</u>	<u>67,091</u>	<u>(7,866,987)</u>
OTHER FINANCING SOURCES			
Transfers from Board of County Commissioners	7,934,078	-	7,934,078
Total other financing sources	<u>7,934,078</u>	<u>-</u>	<u>7,934,078</u>
Net change in fund balances	-	67,091	67,091
Fund balances at beginning of year	-	276,765	276,765
Fund balances at end of year	<u>\$ -</u>	<u>\$ 343,856</u>	<u>\$ 343,856</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
SHERIFF
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL AND SPECIAL REVENUE FUNDS
For the Fiscal Year Ended September 30, 2015**

	General Fund			Special Revenue Funds		
	Original and Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)	Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ -	\$ 87,061	\$ 87,061	\$ 6,322	\$ 6,322	\$ -
Charges for services	-	19,470	19,470	13,214	13,214	-
Fines and forfeitures	-	-	-	7,200	7,200	-
Miscellaneous	-	13,985	13,985	131,727	131,727	-
Total revenues	-	120,516	120,516	158,463	158,463	-
EXPENDITURES						
Current expenditures						
Public safety	8,049,773	7,706,661	343,112	74,047	74,047	-
Capital outlay						
Public safety	214,500	347,933	(133,433)	17,325	17,325	-
Total expenditures	8,264,273	8,054,594	209,679	91,372	91,372	-
Excess of revenues over (under) expenditures	(8,264,273)	(7,934,078)	330,195	67,091	67,091	-
OTHER FINANCING SOURCES						
Transfers from Board of County Commissioners	8,264,273	7,934,078	(330,195)	-	-	-
Total other financing sources	8,264,273	7,934,078	(330,195)	-	-	-
Net change in fund balances	-	-	-	67,091	67,091	-
Fund balances at beginning of year	-	-	-	276,765	276,765	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 343,856	\$ 343,856	\$ -

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

SHERIFF

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 Suwannee County Sheriff (Sheriff).

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," 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 Suwannee County, Florida. The Sheriff's financial statements do not purport to reflect the financial position or the results of operations of Suwannee 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 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 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. The following special revenue funds are maintained by the Sheriff:

Drug Task Force Fund
Federal Seizure Fund
Inmate Welfare Fund
What Not Grant Fund

(ii) **Fiduciary Funds**

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

Bond Fund
Civil Depositors Fund
Inmate Trust Fund
Evidence Trust 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 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. Encumbrance accounting is not utilized by the Sheriff.

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 Sheriff.

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 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 was \$808,491 and the bank balances were \$1,373,797. These balances were covered by federal depository insurance and collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

Bank Deposit Covered By	Category			Bank Balance
	1	2	3	
Eligible Collateral	\$ -	\$ 1,123,797	\$ -	\$ 1,123,797
FDIC Insurance	250,000	-	-	250,000
Total Deposits	<u>\$ 250,000</u>	<u>\$ 1,123,797</u>	<u>\$ -</u>	<u>\$ 1,373,797</u>

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

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the Sheriff's financial accounts 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 Sheriff's general fixed assets.

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, \$1,016,860 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.

NOTE 2. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 10/01/14	Capital Outlay	Deletions	Balance 09/30/15
Equipment	<u>\$ 3,022,469</u>	<u>\$ 365,258</u>	<u>\$ (118,691)</u>	<u>\$ 3,269,036</u>

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 non-contributory through June 30, 2011. Effective July 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 \$732,216, \$671,069, and \$527,733, respectively, equal to the required contributions for each year. Full information on the System is contained in Note 12 of the Suwannee County, Florida Financial Report.

NOTE 4. RISK MANAGEMENT

The Sheriff participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the Sheriff'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 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 5. 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 6. OPERATING LEASES

The Sheriff has several operating lease agreements for equipment with noncancellable terms. These leases are considered for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$15,506. The future minimum payments under these leases at September 30, 2015, are as follows:

Year Ending
September 30
2016

Minimum Lease Payment
\$ 4,077
\$ 4,077

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 Sheriff.

Unassigned - all other spendable amounts.

Fund balances with restrictions are as follows at September 30, 2015:

Fund	Classification		Total
	Restricted	Assigned	
Special Revenue Funds			
Drug Task Force	\$ 50,155	\$ -	\$ 50,155
Federal Seizure	73,345	-	73,345
Inmate Welfare	220,356	-	220,356
Total fund balances	<u>\$ 343,856</u>	<u>\$ -</u>	<u>\$ 343,856</u>

NOTE 8. SUBSEQUENT EVENT

In April, 2016, subsequent to year end, a former employee of the Sheriff's Office was arrested and charged with stealing approximately \$61,000 in cash funds being held as evidence over an approximate twenty year period ending in 2011. The Sheriff has received \$25,000 in insurance proceeds for this theft and anticipates collecting the balance of approximately \$36,000 through restitution from the individual.

COMBINING AND INDIVIDUAL FUND STATEMENTS

GENERAL FUND

**SUWANNEE COUNTY, FLORIDA
SHERIFF
GENERAL FUND
BALANCE SHEET
September 30, 2015**

ASSETS

Current assets	
Cash	\$ 338,638
Due from other governmental units	20,199
Total assets	<u>\$ 358,837</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities	
Due to Board of County Commissioners	330,195
Deferred revenue	28,560
Other current liabilities	82
Total liabilities and fund balance	<u>\$ 358,837</u>

See notes to financial statements.

**SUWANNEE 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
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Intergovernmental				
Federal and State grants				
VOCA	\$ -	\$ -	\$ 38,033	\$ 38,033
FEMA	-	-	2,147	2,147
Drug Task Force	-	-	46,881	46,881
Total federal grants	-	-	87,061	87,061
Charges for services				
Public safety				
Police services	-	-	19,470	19,470
Miscellaneous				
Interest	-	-	1,429	1,429
Other	-	-	12,556	12,556
Total miscellaneous	-	-	13,985	13,985
Total revenues	-	-	120,516	120,516
EXPENDITURES				
Public safety				
Law enforcement				
Personnel services	3,793,295	3,793,295	3,813,782	(20,487)
Operating expenses	729,688	729,688	599,180	130,508
Capital outlay	208,000	208,000	312,221	(104,221)
Total law enforcement	4,730,983	4,730,983	4,725,183	5,800
Court services				
Personnel services	150,893	150,893	134,654	16,239
Operating expenses	15,301	15,301	14,564	737
Capital outlay	1,000	1,000	-	1,000
Total court services	167,194	167,194	149,218	17,976
Corrections				
Personnel services	1,918,238	1,918,238	1,833,132	85,106
Operating expenses	667,551	667,551	558,738	108,813
Capital outlay	3,000	3,000	21,249	(18,249)
Total corrections	2,588,789	2,588,789	2,413,119	175,670

(Continued)

**SUWANNEE 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
	Original	Final	Amounts	With Final Budget Positive (Negative)
Animal control				
Personnel services	\$ 103,291	\$ 103,291	\$ 96,678	\$ 6,613
Operating expenses	24,351	24,351	15,388	8,963
Capital outlay	1,500	1,500	-	1,500
Total animal control	129,142	129,142	112,066	17,076
Dispatch				
Personnel services	606,164	606,164	513,816	92,348
Operating expenses	41,001	41,001	38,284	2,717
Capital outlay	1,000	1,000	-	1,000
Total dispatch	648,165	648,165	552,100	96,065
VOCA grant				
Personnel services	-	-	36,194	(36,194)
Operating expenses	-	-	1,839	(1,839)
Total VOCA grant	-	-	38,033	(38,033)
Drug Task Force				
Personnel services	-	-	22,029	(22,029)
Operating expenses	-	-	24,852	(24,852)
Total Drug Task Force	-	-	46,881	(46,881)
SCAAP grant				
Operating expenses	-	-	3,531	(3,531)
Capital outlay	-	-	14,463	-
Total Workforce grant	-	-	17,994	(3,531)
Total expenditures	8,264,273	8,264,273	8,054,594	224,142
Excess of revenues over (under) expenditures	(8,264,273)	(8,264,273)	(7,934,078)	344,658
OTHER FINANCING SOURCES				
Transfers from Board of County Commissioners	8,264,273	8,264,273	7,934,078	(330,195)
Total other financing sources	8,264,273	8,264,273	7,934,078	(330,195)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -
See notes to financial statements.				

SPECIAL REVENUE FUNDS

**SUWANNEE COUNTY, FLORIDA
SHERIFF
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2015**

	<u>Drug Task Force</u>	<u>Federal Seizure</u>	<u>Inmate Welfare</u>	<u>What Not Grant</u>	<u>Totals</u>
ASSETS					
Current assets					
Cash	\$ 50,155	\$ 73,345	\$ 212,665	\$ 6,072	\$ 342,237
Due from other funds	-	-	7,691	-	7,691
Total assets	<u>\$ 50,155</u>	<u>\$ 73,345</u>	<u>\$ 220,356</u>	<u>\$ 6,072</u>	<u>\$ 349,928</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Current liabilities					
Revenues collected in advance	\$ -	\$ -	\$ -	\$ 6,072	\$ 6,072
Total current liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,072</u>	<u>6,072</u>
FUND BALANCES					
Restricted	50,155	73,345	220,356	-	343,856
Total liabilities and fund balances	<u>\$ 50,155</u>	<u>\$ 73,345</u>	<u>\$ 220,356</u>	<u>\$ 6,072</u>	<u>\$ 349,928</u>

See notes to financial statements.

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

	Drug Task Force	Federal Seizure	Inmate Welfare	What Not Grant	Totals
REVENUES					
Intergovernmental					
Public safety	\$ 250		\$ -	\$ 6,072	\$ 6,322
Charges for services	13,214	-	-	-	13,214
Fines and forfeitures					
Other fines and forfeitures					
Confiscated property	7,200	-	-	-	7,200
Miscellaneous					
Interest	96	110	-	-	206
Commissions	-	-	111,861	-	111,861
Other	-	-	19,660		19,660
Total miscellaneous	96	110	131,521	-	131,727
Total revenues	20,760	110	131,521	6,072	158,463
EXPENDITURES					
Public safety					
Law enforcement					
Operating expenses	10,539	-	57,436	6,072	74,047
Capital outlay	17,325	-	-	-	17,325
Total expenditures	27,864	-	57,436	6,072	91,372
Excess of revenues over expenditures	(7,104)	110	74,085	-	67,091
Fund balances at beginning of year	57,259	73,235	146,271	-	276,765
Fund balances at end of year	<u>\$ 50,155</u>	<u>\$ 73,345</u>	<u>\$ 220,356</u>	<u>\$ -</u>	<u>\$ 343,856</u>

See notes to financial statements.

AGENCY FUNDS

**SUWANNEE COUNTY, FLORIDA
SHERIFF
AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2015**

	<u>Bond</u>	<u>Civil Depositors</u>	<u>Inmate Trust</u>	<u>Evidence Trust</u>	<u>Totals</u>
ASSETS					
Cash	\$ 60,058	\$ 3,176	\$ 35,204	\$ 29,178	\$ 127,616
Accounts receivable	-	-	155,033	-	155,033
Total assets	<u>\$ 60,058</u>	<u>\$ 3,176</u>	<u>\$ 190,237</u>	<u>\$ 29,178</u>	<u>\$ 282,649</u>
LIABILITIES					
Due to other funds	\$ -	\$ -	\$ 7,691	\$ -	\$ 7,691
Due to Board of County Commissioners	-	2,193	-	-	2,193
Deposits payable	60,058	-	9,708	29,178	98,944
Other current liabilities	-	983	172,838	-	173,821
Total liabilities	<u>\$ 60,058</u>	<u>\$ 3,176</u>	<u>\$ 190,237</u>	<u>\$ 29,178</u>	<u>\$ 282,649</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
SHERIFF
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2015**

	Balance October 1, 2014	Additions	Deletions	Balance September 30, 2015
BOND FUND				
ASSETS				
Cash	\$ 39,122	\$ 146,565	\$ 125,629	\$ 60,058
Total assets	<u>\$ 39,122</u>	<u>\$ 146,565</u>	<u>\$ 125,629</u>	<u>\$ 60,058</u>
LIABILITIES				
Deposits	\$ 39,122	\$ 146,565	\$ 125,629	\$ 60,058
Total liabilities	<u>\$ 39,122</u>	<u>\$ 146,565</u>	<u>\$ 125,629</u>	<u>\$ 60,058</u>
CIVIL DEPOSITORS FUND				
ASSETS				
Cash	\$ 3,379	\$ 62,590	\$ 62,793	\$ 3,176
Total assets	<u>\$ 3,379</u>	<u>\$ 62,590</u>	<u>\$ 62,793</u>	<u>\$ 3,176</u>
LIABILITIES				
Due to Board of County Commissioners	\$ 3,379	\$ 61,590	\$ 62,776	\$ 2,193
Deposits	-	-	-	-
Other current liabilities	-	1,000	17	983
Total liabilities	<u>\$ 3,379</u>	<u>\$ 62,590</u>	<u>\$ 62,793</u>	<u>\$ 3,176</u>
INMATE TRUST FUND				
ASSETS				
Cash	\$ 47,656	\$ 297,294	\$ 309,746	\$ 35,204
Accounts receivable	122,875	345,897	313,739	155,033
Total assets	<u>\$ 170,531</u>	<u>\$ 643,191</u>	<u>\$ 623,485</u>	<u>\$ 190,237</u>
LIABILITIES				
Due to other funds	\$ 16,919	\$ 7,691	\$ 16,919	\$ 7,691
Deposits	11,856	282,509	284,657	9,708
Other current liabilities	141,756	325,641	294,559	172,838
Total liabilities	<u>\$ 170,531</u>	<u>\$ 615,841</u>	<u>\$ 596,135</u>	<u>\$ 190,237</u>
EVIDENCE TRUST FUND				
ASSETS				
Cash	\$ 29,178	\$ 63,584	\$ 63,584	\$ 29,178
Total assets	<u>\$ 29,178</u>	<u>\$ 63,584</u>	<u>\$ 63,584</u>	<u>\$ 29,178</u>
LIABILITIES				
Deposits	\$ 29,178	\$ 63,584	\$ 63,584	\$ 29,178
Total liabilities	<u>\$ 29,178</u>	<u>\$ 63,584</u>	<u>\$ 63,584</u>	<u>\$ 29,178</u>
TOTALS-ALL AGENCY FUNDS				
ASSETS				
Cash	\$ 119,335	\$ 570,033	\$ 561,752	\$ 127,616
Due from individuals	122,875	345,897	313,739	155,033
Total assets	<u>\$ 242,210</u>	<u>\$ 915,930</u>	<u>\$ 875,491</u>	<u>\$ 282,649</u>
LIABILITIES				
Due to other funds	\$ 16,919	\$ 7,691	\$ 16,919	\$ 7,691
Due to Board of County Commissioners	3,379	61,590	62,776	2,193
Deposits	80,156	492,658	473,870	98,944
Other current liabilities	141,756	326,641	294,576	173,821
Total liabilities	<u>\$ 242,210</u>	<u>\$ 888,580</u>	<u>\$ 848,141</u>	<u>\$ 282,649</u>

See notes to financial statements.

COMPLIANCE SECTION

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

To the Sheriff
Suwannee 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 Suwannee County Sheriff as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Suwannee County Sheriff's special purpose financial statements, and have issued our report thereon dated April 15, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Suwannee 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 Suwannee County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Suwannee 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 Suwannee 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.

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POWELL & JONES

Certified Public Accountants

April 15, 2016

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

Honorable Sheriff
Suwannee County, Florida

We have audited the special purpose fund financial statements of the Suwannee County Sheriff, as of and for the year ended September 30, 2015, and have issued our report thereon dated April 15, 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 April 15, 2016, 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 Suwannee 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.

A handwritten signature in cursive script, reading "Powell & Jones", is enclosed within a rectangular box. The signature is written in dark ink on a light background.

POWELL & JONES
Certified Public Accountants
April 15, 2016

INDEPENDENT ACCOUNTANT'S REPORT

To The Sheriff
Suwannee County, Florida

We have examined the Suwannee 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 Suwannee 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.

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

POWELL & JONES
Certified Public Accountants
April 15, 2016

SUPERVISOR OF ELECTIONS

**SUWANNEE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

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 Supervisor of Elections
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee County Supervisor of Elections (the Supervisor of Elections), 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.

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

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

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Supervisor of Elections is part of the reporting entity, Suwannee 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 Suwannee County Supervisor of Elections, 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 January 21, 2016, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' 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 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 Supervisor of Elections. 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.

A rectangular box containing a handwritten signature in dark ink. The signature appears to read "Powell & Jones".

POWELL & JONES
Certified Public Accountants
January 21, 2016

COMBINED FINANCIAL STATEMENTS

SUWANNEE COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
COMBINED BALANCE SHEET
ALL FUND TYPES
September 30, 2015**

	<u>Governmental Fund</u>	<u>Fiduciary Fund</u>	
	<u>General Fund</u>	<u>Agency Fund</u>	<u>Totals</u>
ASSETS			
Current assets			
Cash	\$ 34,711	\$ 1,400	\$ 36,111
Total assets	<u>\$ 34,711</u>	<u>\$ 1,400</u>	<u>\$ 36,111</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Current liabilities			
Due to other governmental units	\$ 17,233	\$ -	\$ 17,233
Accounts payable	11,820	-	11,820
Deferred revenue	5,658	-	5,658
Fees payable	-	1,400	1,400
Total current liabilities	<u>34,711</u>	<u>1,400</u>	<u>36,111</u>
FUND BALANCE	-	-	-
Total liabilities and fund balance	<u>\$ 34,711</u>	<u>\$ 1,400</u>	<u>\$ 36,111</u>

See notes to financial statements.

GENERAL FUND

SUWANNEE 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	\$ -	\$ 6,116	\$ 6,116
State grants	-	2,298	2,298
Total Intergovernmental	-	8,414	8,414
Miscellaneous			
Interest	-	6	6
Total miscellaneous	-	6	6
Total revenues	-	8,420	8,420
EXPENDITURES			
General government			
Personnel services			
Executive salaries	89,347	89,347	-
Regular salaries	78,211	79,661	(1,450)
Other salaries and wages	25,000	12,032	12,968
FICA	13,003	12,877	126
Retirement	22,449	22,522	(73)
Life and health Insurance	24,500	15,769	8,731
Total personnel services	252,510	232,208	20,302
Operating expenses			
Education	2,100	832	1,268
Advertising	1,100	646	454
Voter education	3,639	7,722	(4,083)
Voter focus license and maintenance	19,514	13,591	5,923
Ballot on demand	11,500	11,500	-
Voter tabulation equipment	11,186	9,363	1,823
Computer	5,000	8,780	(3,780)
Other contractual services	-	3,401	(3,401)
Travel and per diem	2,500	3,103	(603)
Communications	6,400	6,170	230
Postage	14,005	7,980	6,025
Precinct rental	2,000	525	1,475
Rentals and leases - equipment	-	2,208	(2,208)
Office supplies	9,000	10,593	(1,593)
Election supplies	35,000	41,265	(6,265)
Professional services	15,000	15,000	-
Refund to BOCC	-	17,233	(17,233)
Books, dues, publications and subscriptions	2,665	835	1,830
Web hosting	5,923	5,923	-
HAVA match	979	-	979
Total operating expenses	147,511	166,670	(19,159)
(Continued)			

**SUWANNEE 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**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Capital outlay			
Machinery and equipment	\$ -	\$ 4,908	\$ (4,908)
Voting equipment	-	4,390	(4,390)
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
 Excess of revenues over (under) expenditures	 400,021	 399,756	 (265)
 OTHER FINANCING SOURCES			
Transfers from Board of County Commissioners	<u>400,021</u>	<u>399,756</u>	<u>265</u>
 Fund balance at beginning of year	 <u>-</u>	 <u>-</u>	 <u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

SUWANNEE 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 Suwannee 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," 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 Suwannee County, Florida. The Supervisor of Elections' financial statements do not purport to reflect the financial position or the results of operations of Suwannee 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 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 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.

(ii) **Fiduciary Fund**

Agency Fund - An Agency Fund is required and used by the Supervisor of Elections to account for resources received from and disbursed to other governmental units or other funds of Suwannee County and individuals. The Supervisor of Elections functions purely as an agent for others in the maintenance of the Fee 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 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. Encumbrance accounting is not utilized by the Supervisor of Elections.

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 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, as amended by 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 \$36,111. 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. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the County Capital Assets 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 Supervisor of Elections are reported in the Board of County Commissioners' Capital 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 of \$27,454 that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability is reported in the General Long-Term Debt Accounts of the Board of County Commissioners.

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

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

NOTE 2. PENSION PLAN

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

Funding Policy - The System is employee noncontributory 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 \$22,522, \$21,271, and \$11,093, respectively, equal to the required contributions for each year. Full information on the System is contained in the Suwannee County County-wide Financial Report.

NOTE 3. LEASE COMMITMENTS

The Supervisor has an operating lease agreement for a digital copier with Great American Leasing Corporation. Under the terms of this lease, the Supervisor is obligated to pay 48 monthly payments of \$94. The future minimum lease payments at September 30, 2015, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2016	\$ 1,128
2017	1,128
2018	565
	<u>\$ 2,821</u>

The Supervisor has an operating lease agreement for a mailing system with Pitney Bowes. Under the terms of this lease, the Supervisor is obligated to pay 48 monthly payments of \$90. The future minimum lease payments at September 30, 2015, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2016	\$ 1,080
2017	90
	<u>\$ 1,170</u>

The Supervisor has an operating lease agreement with Election Systems and Software for an Automark Voter Assist Terminal. Under the terms of this lease, the Supervisor is obligated to pay five annual payments of \$9,800. The future minimum lease payments at September 30, 2015, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2016	\$ 9,800
	<u>\$ 9,800</u>

AGENCY FUND

**SUWANNEE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2015**

	<u>Balance October 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2015</u>
FEE FUND				
Assets				
Cash	<u>\$ 986</u>	<u>\$ 414</u>	<u>\$ -</u>	<u>\$ 1,400</u>
 Liabilities				
Fees payable	<u>\$ 986</u>	<u>\$ 414</u>	<u>\$ -</u>	<u>\$ 1,400</u>

See notes to financial statements.

COMPLIANCE SECTION

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

To the Supervisor of Elections
Suwannee 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 Suwannee 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 the Suwannee County Supervisor of Elections' special purpose fund financial statements, and have issued our report thereon dated January 21, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Suwannee 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 the Suwannee County Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the Suwannee 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 the Suwannee County Supervisor of Elections' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

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

Purpose of this Report

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

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

POWELL & JONES

Certified Public Accountants

January 21, 2016

MANAGEMENT LETTER

Honorable Supervisor of Elections
Suwannee County, Florida

We have audited the financial statements of the Suwannee County Supervisor of Elections, as of and for the year ended September 30, 2015, and have issued our report thereon dated January 21, 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 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.

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 Suwannee County, Florida, for the year ended September 30, 2015. The financial statements of the Supervisor of Elections are combined with other County agencies in that report.

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

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

CONCLUSION

We have reviewed information regarding our audit with the Supervisor of Elections and have provided her 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 Election's office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A handwritten signature in cursive script, reading "Powell & Jones", is enclosed within a rectangular border.

POWELL & JONES

Certified Public Accountants

January 21, 2016

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Supervisor of Elections
Suwannee County, Florida

We have examined the Suwannee 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 Suwannee County, Florida Supervisor, 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.

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POWELL & JONES
Certified Public Accountants
January 21, 2016

TAX COLLECTOR

**SUWANNEE 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
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee 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 *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 Tax Collector is part of the reporting entity, Suwannee County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

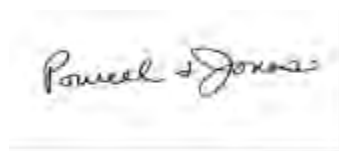
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Suwannee County Tax Collector, as of September 30, 2015, and the results of its operations and budgetary comparisons for the year then ended in conformity 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 February 5, 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, 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 Tax Collector'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 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 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.

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POWELL & JONES
Certified Public Accountants
February 5, 2016

COMBINED FINANCIAL STATEMENTS

SUWANNEE COUNTY, FLORIDA

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

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	
	<u>General Fund</u>	<u>Agency Funds</u>	<u>Totals</u>
ASSETS			
Current assets			
Cash	\$ 32,578	\$ 656,835	\$ 689,413
Accounts receivable	28	1,546	1,574
Due from other funds	10,762	-	10,762
Due from other governmental units	-	750	750
Prepaid assets	3,830	-	3,830
Total assets	<u>\$ 47,198</u>	<u>\$ 659,131</u>	<u>\$ 706,329</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 19,420	\$ 66,813	\$ 86,233
Due to other funds	-	10,762	10,762
Due to other governmental units	96	134,960	135,056
Accrued payroll deductions and matching	4,363	-	4,363
Accrued salaries	23,319	-	23,319
Other current liabilities	-	446,596	446,596
Total liabilities	<u>\$ 47,198</u>	<u>\$ 659,131</u>	<u>\$ 706,329</u>

See notes to financial statements.

GENERAL FUND

**SUWANNEE 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				
Hunting and fishing license fees	\$ 2,606	\$ 2,606	\$ 2,606	\$ -
Birth certificates	1,163	1,163	1,163	-
Motor vehicle fees	216,817	216,817	216,817	-
Drivers licenses	77,120	77,120	70,181	(6,939)
Florida Tourist Development	8,016	8,016	8,016	-
Department of Revenue sales tax	1,470	1,470	1,470	-
Ad valorem tax commissions	444,445	444,445	444,445	-
Special assessment commissions	95,505	95,505	95,505	-
Special assessment preparation	33,000	33,000	33,000	-
Suwannee River Water Management				
District tax commissions	10,862	10,862	10,862	-
Delinquent tax 5% commissions fees	87,237	87,237	87,237	-
Individual delinquent tax fees	22,836	22,836	22,836	-
Delinquent tax commissions	55,181	55,181	55,181	-
Delinquent Suwannee River Water				
Management District commissions	1,355	1,355	1,355	-
Total charges for services	1,057,613	1,057,613	1,050,674	(6,939)
Miscellaneous				
Other miscellaneous	2,675	2,675	2,675	-
Total miscellaneous	2,675	2,675	2,675	-
Total revenues	1,060,288	1,060,288	1,053,349	(6,939)
EXPENDITURES				
General government				
Financial and administrative				
Personnel services				
Executive salaries	107,169	107,169	107,169	-
Regular salaries	510,819	504,030	501,028	3,002
Overtime	12,500	12,901	12,901	-
Special pay	3,750	3,750	3,750	-
FICA	48,519	47,740	46,665	1,075
Retirement	83,299	83,034	82,292	742
Life and health insurance	115,232	103,722	102,836	886
Total personnel services	881,288	862,346	856,641	5,705
(Continued)				

**SUWANNEE 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**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating expenses				
Education	\$ 1,945	\$ 1,945	\$ 1,517	\$ 428
Professional services	52,277	51,962	51,961	1
Travel and per diem	6,694	5,944	5,766	178
Communications services	5,553	5,736	5,736	-
Transportation	22,452	25,500	25,500	-
Rentals and leases	65,663	68,972	68,434	538
Insurance	200	336	335	1
Repairs and maintenance	2,733	2,733	2,578	155
Repairs EDP	4,465	4,465	4,465	-
Other current charges and obligations	450	517	505	12
Office supplies	9,000	6,793	6,793	-
Operating supplies	3,280	6,189	6,189	-
Books, publications subscriptions and dues	3,910	4,454	4,439	15
Total operating expenditures	<u>178,622</u>	<u>185,546</u>	<u>184,218</u>	<u>1,328</u>
Capital outlay				
EDP Equipment	-	12,396	12,396	-
Total expenditures	<u>1,059,910</u>	<u>1,060,288</u>	<u>1,053,255</u>	<u>7,033</u>
Excess of revenues over (under) expenditures	378	-	94	94
OTHER FINANCING USES				
Transfers To Board of County Commissioners	<u>(378)</u>	<u>-</u>	<u>(94)</u>	<u>(94)</u>
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

SUWANNEE 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 Suwannee County Tax Collector (Tax Collector).

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," 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 Suwannee County, Florida. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Suwannee County, Florida, taken as a whole.

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

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

(i) **Governmental Fund**

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

(ii) **Fiduciary Funds**

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.

Tag Fund
Tax 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 her 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 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 Tax Collector's deposits was \$687,013. Of this balance, \$250,000 was covered by federal depository insurance and \$437,013 was covered by collateral held at various qualified public depositories. 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 her 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.

Bank Deposit Covered by	Category			Bank Balance
	1	2	3	
Eligible Collateral	\$ 437,013	\$ -	\$ -	\$ 437,013
FDIC Insurance	250,000	-	-	250,000
Total deposits	<u>\$ 687,013</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 687,013</u>

The Tax Collector's Office has \$2,400 petty cash.

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 Asset 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 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 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 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 Suwannee 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% and employees electing the DROP Program 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 \$82,292, \$73,231, and \$44,203, respectively, equal to the required contributions for each year. Full information on the System is included in the Suwannee County County-wide Financial Report.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2015, were:

	Interfund Receivable	Interfund Payable
General Fund	\$ 10,762	\$ -
Tax Fund	-	801
Tag Fund	-	9,961
	<u>\$ 10,762</u>	<u>\$ 10,762</u>

COMBINING STATEMENT

AGENCY FUNDS

**SUWANNEE COUNTY, FLORIDA
TAX COLLECTOR
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
TAG FUND				
Assets				
Cash	\$ 115,458	\$ 4,927,777	\$ 4,919,243	\$ 123,992
Accounts receivable	2,383	44,496	45,333	1,546
Due from other governmental units	884	1,774	1,908	750
Due from other funds	1,284	3,367	4,651	-
Total assets	\$ 120,009	\$ 4,977,414	\$ 4,971,135	\$ 126,288
Liabilities				
Accounts payable	\$ 120	\$ 20,894	\$ 20,858	\$ 156
Due to other funds	8,442	326,748	325,229	9,961
Due to other governmental units	111,447	4,574,264	4,569,540	116,171
Other	-	4,833,237	4,833,237	-
Total liabilities	\$ 120,009	\$ 9,755,143	\$ 9,748,864	\$ 126,288
TAX FUND				
Assets				
Cash	\$ 591,292	\$ 32,632,976	\$ 32,691,425	\$ 532,843
Accounts receivable	-	8,501	8,501	-
Due from other funds	278	74,522	74,800	-
Due from other governmental units	-	11	11	-
Total assets	\$ 591,570	\$ 32,716,010	\$ 32,774,737	\$ 532,843
Liabilities				
Accounts payable	\$ 164,721	\$ 4,342,668	\$ 4,440,732	\$ 66,657
Due to other funds	2,092	721,509	722,800	801
Due to other governmental units	6,263	29,649,766	29,637,240	18,789
Installment payable and other	418,494	908,258	880,156	446,596
Total liabilities	\$ 591,570	\$ 35,622,201	\$ 35,680,928	\$ 532,843

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
TAX COLLECTOR
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
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$ 706,750	\$ 37,560,753	\$ 37,610,668	\$ 656,835
Accounts receivable	2,383	52,998	53,835	1,546
Due from other funds	1,562	77,889	79,451	-
Due from other governmental units	884	1,785	1,919	750
Total assets	\$ 711,579	\$ 37,693,425	\$ 37,745,873	\$ 659,131
Liabilities				
Accounts payable	\$ 164,841	\$ 4,363,562	\$ 4,461,590	\$ 66,813
Due to other funds	10,534	1,048,257	1,048,029	10,762
Due to other governmental units	117,710	34,224,030	34,206,780	134,960
Installments payable and other	418,494	5,741,495	5,713,393	446,596
Total liabilities	\$ 711,579	\$ 45,377,344	\$ 45,429,792	\$ 659,131

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
Suwannee 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 Suwannee 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 Suwannee County Tax Collector's special purpose financial statements, and have issued our report thereon dated February 5, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Suwannee 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Suwannee County Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Suwannee County Tax Collector's internal control.

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

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

Compliance and Other Matters

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

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

Purpose of this Report

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

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

POWELL & JONES

Certified Public Accountants

February 5, 2016

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

Honorable Tax Collector
Suwannee County, Florida

We have audited the financial statements of the Suwannee County Tax Collector, as of and for the year ended September 30, 2015, and have issued our report thereon dated February 5, 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 February 5, 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 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 Suwannee 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 her 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 Tax Collector staff in completing our audit and also the generally high quality of the Tax Collector's financial records and internal control. We also appreciate the helpful assistance and courtesy afforded us by these employees.

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

POWELL & JONES

Certified Public Accountants

February 5, 2016

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Tax Collector
Suwannee County, Florida

We have examined the Suwannee County, Florida 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 the Suwannee County, Florida 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.

A rectangular box containing a handwritten signature in dark ink. The signature appears to read "Powell & Jones" in a cursive script.

POWELL & JONES
Certified Public Accountants
February 5, 2016



Barry A. Baker
Clerk

OFFICE OF THE
CLERK OF THE CIRCUIT COURT
THIRD JUDICIAL CIRCUIT • SUWANNEE COUNTY

June 7, 2016

Mr. Richard C. Powell, Jr., CPA
Powell & Jones
Certified Public Accountants
1359 SW Main Blvd.
Lake City, Florida 32055

Re: Management Letter Response

Dear Mr. Powell,

In response to your management letter to the Board of County Commissioners regarding the financial audit for the 2014-2015 fiscal year, it is with pride that I concur with your statement of no reportable findings.

I also want to take this opportunity to thank you and your staff for the professional manner in which the audit was performed. It was a pleasure working with you and your staff.

Respectfully Submitted,

Barry Baker
Clerk of the Circuit Court



Barry A. Baker
Clerk

OFFICE OF THE
CLERK OF THE CIRCUIT COURT
THIRD JUDICIAL CIRCUIT • SUWANNEE COUNTY

June 7, 2016

Mr. Richard C. Powell, Jr., CPA
Powell & Jones
Certified Public Accountants
1359 SW Main Blvd.
Lake City, Florida 32055

Dear Mr. Powell,

In response to your management letter to the Clerk of the Circuit Court regarding the financial audit for the 2014-2015 fiscal year, it is with pride that I concur with your statement of no reportable findings.

I also want to take this opportunity to thank you and your staff for the professional manner in which the audit was performed. It was a pleasure working with you and your staff.

Respectfully Submitted,

Barry Baker
Clerk of the Circuit Court



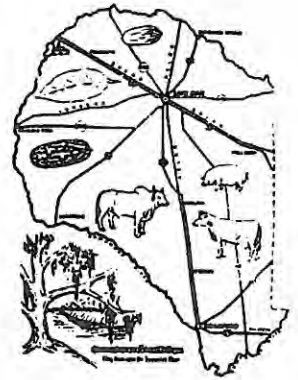
COUNTY PROPERTY APPRAISER
LAMAR JENKINS

County of Suwannee

STATE OF FLORIDA

"Way Down Upon The Suwannee River"

OFFICE OF PROPERTY APPRAISER
215 PINE AVENUE, SW, SUITE B • LIVE OAK, FLORIDA 32064
PHONE (386) 362-1385



June 7, 2016

Powell & Jones
Certified Public Accountants
1359 SW Main Blvd.
Lake City, Fl. 32025

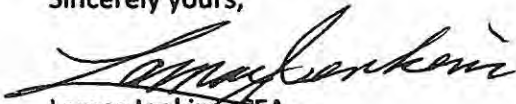
Dear Mr. Powell:

In response to your management letter regarding the financial audit for the 2014-2015 fiscal year, I concur with your statement of no reportable findings. We will continue to comply with proper accounting procedures and your suggestions and comments.

I also wish to thank you and your staff for the professional manner in which the audit has always been conducted.

I am,

Sincerely yours,


Lamar Jenkins, CFA
Suwannee County Property Appraiser

LJ/lbr

Sheriff



TONY CAMERON • SUWANNEE COUNTY SHERIFF
200 S. OHIO/MLK AVENUE, SUITE 105 • LIVE OAK, FLORIDA 32064
386-362-2222 (Voice) • 386-364-1953 (Fax)

June 07, 2016

Mr. Richard C. Powell, Jr. CPA
Powell & Jones
1359 SW Main Blvd.
Lake City, FL 32055

Dear Mr. Powell,

In response to your management letter regarding the financial audit for the 2014-2015 fiscal year I concur with your statement of no reportable findings.

I also want to take this opportunity to thank you and your staff for the professional and methodical manner exhibited during the audit. It was a delight, once again, working with you and your staff.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Cameron".

Tony Cameron
Sheriff



Glenda B. Williams

SUPERVISOR OF ELECTIONS
SUWANNEE COUNTY, FLORIDA

June 09, 2016

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

RE: Audit Response: Suwannee County Supervisor of Elections

Dear Mr. Powell:

This letter will acknowledge receipt of our audit for the year ending September 30, 2015.
I am delighted there were no reportable findings.

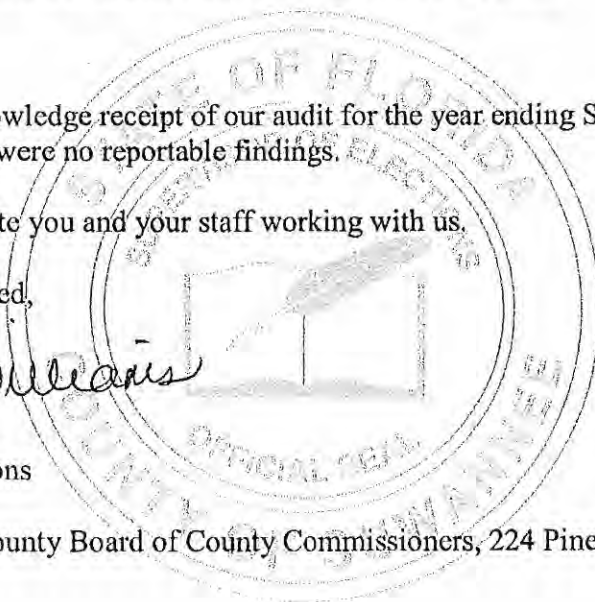
As always I appreciate you and your staff working with us.

Respectfully submitted,

Glenda B. Williams

Glenda B. Williams
Supervisor of Elections

CC: Suwannee County Board of County Commissioners, 224 Pine Ave., S.W., Live
Oak, FL 32064



County of Suwannee

In The Heart Of The Suwannee River Valley

State of Florida

OFFICE OF TAX COLLECTOR
215 Pine Avenue, S.W., Suite A
LIVE OAK, FLORIDA 32064
www.suwanneecountytax.com

SHARON W. JORDAN
TAX COLLECTOR

(386) 362-2816
TAX FAX (386) 364-3713
DL & TAG FAX (386) 330-2666

June 7, 2016

Powell & Jones
Certified Public Accountants
1359 S.W. Main Blvd.
Lake City, FL 32025

Gentlemen:

Regarding the audit finding pertaining to the year ending September 30, 2015 we submit the following:

The auditors found our financial records to be adequate with no reportable findings.

Respectfully Submitted:



Sharon W. Jordan

Suwannee County Tax Collector

SWJ/mlw

CC Auditor General. Tallahassee, FL

SCBCC

