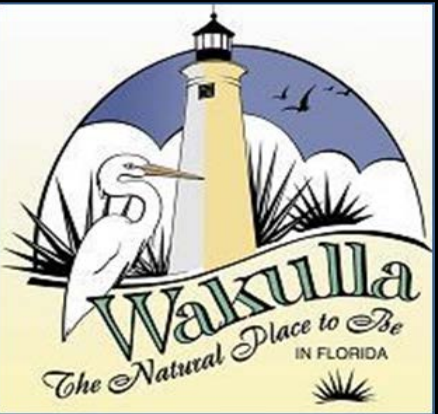




WAKULLA
COUNTY

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDING
SEPTEMBER 30, 2016



WAKULLA COUNTY, FLORIDA

INTRODUCTORY SECTION



Wakulla County Annual Financial Report
For the Fiscal Year Ended September 30, 2016

**Prepared by the Finance Department of Brent X. Thurmond, C.P.A.; Clerk of
the Circuit Court & Comptroller and Clerk to Board of County
Commissioners**

WAKULLA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2016

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WAKULLA COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

Board of County Commissioners

District 1	Ralph Thomas
District 2	Randy Merritt
District 3	Dr. Howard Kessler
District 4	Jerry Moore
District 5	Richard Harden

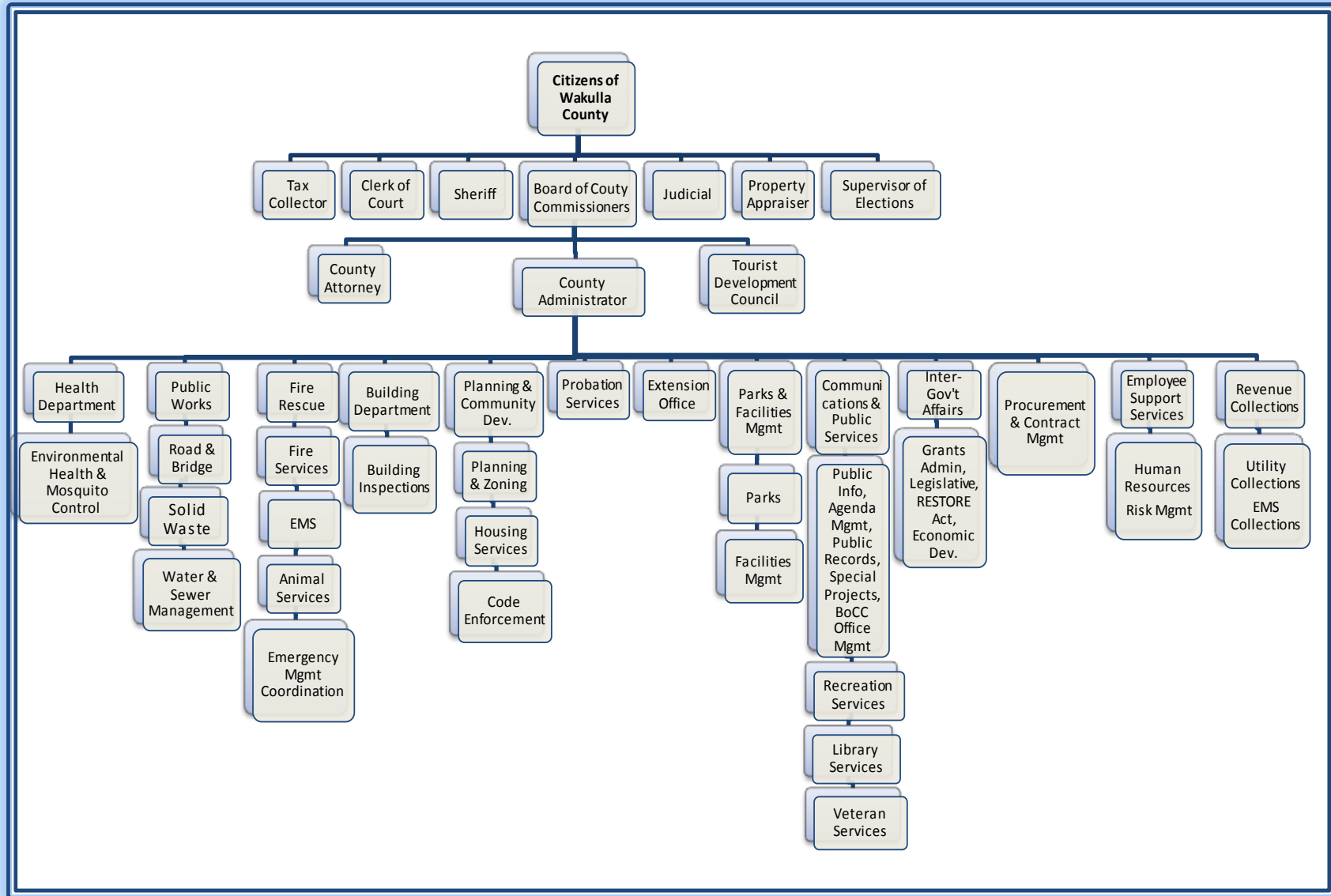
Constitutional Officers

Clerk of Circuit Court	Brent X. Thurmond, CPA
Property Appraiser	Donnie Sparkman, CFA
Sheriff	Charlie Creel
Supervisor of Elections	Henry Wells, MFCEP
Tax Collector	Cheryll Olah

County Administrator

David Edwards

Wakulla County Organizational Chart



WAKULLA COUNTY, FLORIDA

FINANCIAL SECTION



Powell & Jones
Certified Public Accountants

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

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INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Wakulla 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 Wakulla County, Florida, as of and for the year ended September 30, 2016, which collectively comprise Wakulla 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Wakulla County, Florida, as of September 30, 2016, 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 4 through 18, budgetary comparison information on pages 78 through

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84, and pension schedules on pages 85 through 88, 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.

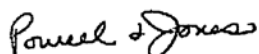
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Wakulla 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 10.550 Rules of the State of Florida, Office of the Auditor General; and by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 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.

The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2017, on our consideration of Wakulla 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 Wakulla County, Florida's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accounts
May 15, 2017

WAKULLA COUNTY MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Wakulla County, Florida (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal years ended September 30, 2016 and 2015.

Financial Highlights.

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$69,786,995 but there was a deficit of \$4,123,309 in unrestricted net position providing no available resources for the County to meet its' ongoing obligations to its citizens and creditors. This is a net increase of \$4,685,051 over the prior year's unrestricted net position of (\$8,808,360). An explanation of this increase is included later in this discussion and analysis.
- The County's total net position decreased by \$44,102. This decrease in net position is a result of governmental activities net position decreasing by \$515,045 which was primarily due to an increase in pension liabilities. There was an increase in business type activities net position of \$470,943 which was primarily the result of an increase in capital assets and a decrease in long-term liabilities. An explanation of these changes is included later in this discussion and analysis.
- At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$12,317,000. In comparison with the prior year, this is an increase of \$771,778. Approximately seventy-eight percent (78%) of the total fund balance, or \$9,589,129 is available for spending at the County's discretion (Assigned and Unassigned Fund Balance). This is an increase of \$4,799,810 over the prior year. An explanation of this increase is included later in this discussion and analysis.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$3,167,816 or sixteen percent (16%) of total general fund expenditures (\$20,969,513). In the prior fiscal year, the unassigned fund balance for the general fund was \$3,273,523 or sixteen percent (16%) of total general fund expenditures (\$19,888,990). An explanation of this decrease of \$105,707 is included later in this discussion and analysis.
- The County's total outstanding debt is \$27,392,441. Total outstanding debt increased by \$7,356,185 during the current fiscal year. This increase is the net result of the governmental activities debt balances increasing by \$7,871,622 and the business-type activities debt balances decreasing by \$515,437. The increase is primarily the result of an increase in pension liability in the amount of \$8,382,351. The County's debt and these increases will be discussed later in this discussion and analysis.

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 are comprised of five components: 1) government-wide financial statements, 2) governmental fund financial statements, 3) enterprise fund financial statements, 4) fiduciary fund financial statements, and 5) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets, deferred outflows, liabilities and deferred inflows, with the difference between the two reported as net position (formerly net assets). This relationship is best illustrated in formula form: (Assets + Deferred Outflows) – (Liabilities + Deferred Inflows) = 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.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The state of activities is unique in that it begins with the expenses of the County and offsets those expenses by program specific revenues and general revenues to calculate net position. This relationship in formula form is: Expenses – Program Specific Revenues – General Revenues = Net Position.

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation and court related activities. The business-type activities of the County include the physical environment activities of the sewer and solid waste operations. The sewer fund also includes a small water operation called Riversink Water. The government-wide financial statements can be found on pages 20-21 of the report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other county governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

As of the close of the current fiscal year, the Board and Constitutional Officers maintained fifty-three (53) individual governmental funds: one (1) general fund, four (4) capital project funds, and forty-eight (48) special revenue funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, the Sheriff's Office fund (formerly called the Fine & Forfeiture fund), the State Housing Initiatives Partnership Program (SHIP) fund, the Capital Projects fund and the One Cent Sales Tax fund which are all considered to be major funds. Data from the other forty-eight (48) governmental funds are combined into a single, aggregated presentation called "Other Governmental Funds" but the details of each fund are shown in the Combining Statements section.

The County adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for the County's major governmental funds (pages 78-82) to demonstrate compliance with their respective budget. The basic governmental fund financial statements can be found on pages 22-23 of this report. A summary of the County-wide adopted budget and related changes can be found in Note 3.

Proprietary funds. The County maintains two (2) proprietary funds, also called enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its sewer and solid waste operations, both of which are considered to be a major fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 25-27 of this report.

The County adopts an annual appropriated budget for all enterprise funds. A budgetary comparison statement has been provided for the County's two enterprise funds (pages 83-84) to demonstrate compliance with their respective budget. A summary of the County-wide adopted budget and related changes can be found in Note 3.

Fiduciary funds. Fiduciary funds or agency funds are used to account for resources held for the benefit of and payable to parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. For the current fiscal year, the Board and Constitutional Officers maintained twenty-one (21) agency funds. Data from these fiduciary funds are combined into a single, aggregated presentation. The basic fiduciary fund financial statement can be found on page 28 of this report and the details of each fiduciary fund can be found in the Combining Statements section.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. There are nineteen (19) notes to the financial statements and they can be found on pages 29-76 of this report.

Other information. The County's officials, five (5) elected county commissioners, five (5) elected constitutional officers and the County Administrator are listed on page *vii* of the Introductory Section. A county-wide organizational chart is found on page *viii* of the Introductory Section.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budgetary information for its major funds, schedules related to the County's net pension liability and pension contributions, detailed combining balance sheets for all non-major governmental funds, detailed combining statement of revenues, expenditures and changes in fund balance for all non-major governmental funds, a combining statement of fiduciary fund net position and a combining statement of changes in fiduciary assets and liabilities. Required supplementary information and the related notes can be found on pages 78-88 of this report and the Combining Statements and Schedules can be found on pages 90-108.

A Schedule of Expenditures of Federal Awards and State Financial Assistance (Grant Schedule) and related notes can be found on pages 116-119. This schedule lists all federal and state grants awarded to the County and its elected officials and their related expenditures for fiscal year ended September 30, 2016. A schedule of findings is located on pages 121-122.

Government-wide Financial Analysis.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$69,786,995 and \$69,831,097 at September 30, 2016 and 2015, respectively.

By far the largest portion of the County's net position (formerly net assets), one hundred three percent (102%) for 2016 and one hundred three percent (103%) for 2015, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The amount invested in capital assets, net of related debt is \$71,205,307 for 2016 and \$71,836,562 for 2015. 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 portion of the County's net position (3.9% for 2016 and 9.7% for 2015) represents resources that are subject to restrictions on how they may be used. The restricted net position is \$2,704,997 for 2016 and \$6,802,895 for 2015. These restrictions may be external such as restrictions imposed by grant agencies or internally self-imposed by ordinance, resolution or some other form of legislative action taken by the Board. Unrestricted net position may be used to meet the County's ongoing obligations to citizens and creditors. The unrestricted net position was (\$4,123,309) or -5.9% for 2016 and (\$8,808,360) or -12.7% for 2015. The County was

unable to report positive balances in all three (3) categories of net position for the government as a whole for the current fiscal year.

Wakulla County's Government-wide Summary Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
ASSETS						
Current and other assets	\$ 13,992,834	\$ 13,398,091	\$ 1,015,973	\$ 1,227,317	\$ 15,008,807	\$ 14,625,408
Capital assets	59,369,133	60,078,225	17,566,073	16,823,567	76,935,206	76,901,792
Total Assets	\$ 73,361,967	\$ 73,476,316	\$ 18,582,046	\$ 18,050,884	\$ 91,944,013	\$ 91,527,200
DEFERRED OUTFLOWS OF						
Deferred outflows related to pensions	\$ 8,982,102	\$ 3,084,910	\$ -	\$ -	\$ 8,982,102	\$ 3,084,910
Total Deferred Outflows of	\$ 8,982,102	\$ 3,084,910	\$ -	\$ -	\$ 8,982,102	\$ 3,084,910
LIABILITIES						
Current and other liabilities	\$ 2,874,459	\$ 2,752,502	\$ 1,389,433	\$ 837,799	\$ 4,263,892	\$ 3,590,301
Long-term liabilities	22,111,256	14,538,626	3,489,005	3,980,420	25,600,261	18,519,046
Total Liabilities	\$ 24,985,715	\$ 17,291,128	\$ 4,878,438	\$ 4,818,219	\$ 29,864,153	\$ 22,109,347
DEFERRED INFLOWS OF						
Deferred inflows related to pensions	\$ 1,274,967	\$ 2,671,666	\$ -	\$ -	\$ 1,274,967	\$ 2,671,666
Total Deferred Inflows of	\$ 1,274,967	\$ 2,671,666	\$ -	\$ -	\$ 1,274,967	\$ 2,671,666
NET POSITION						
Invested in capital assets	\$ 57,721,794	\$ 57,727,291	\$ 13,483,513	\$ 14,109,271	\$ 71,205,307	\$ 71,836,562
Restricted	2,585,267	6,601,674	119,730	201,221	2,704,997	6,802,895
Unrestricted	(4,223,674)	(7,730,533)	100,365	(1,077,827)	(4,123,309)	(8,808,360)
Total net position	\$ 56,083,387	\$ 56,598,432	\$ 13,703,608	\$ 13,232,665	\$ 69,786,995	\$ 69,831,097

In the County's governmental activities, the net position declined over the prior fiscal year by \$515,045. This overall decrease is the net result of assets invested in capital assets decreasing by \$5,497, restricted net position decreasing by \$4,016,407, and unrestricted net position increasing by \$3,506,859. Assets and deferred outflows increased by \$5,782,843 but liabilities and deferred inflows increased by \$6,297,888, primarily as a result of an increase in pension liability as discussed later under long-term debt.

In the County's business-type activities, the net position increased over the prior fiscal year by \$470,943. This increase is the net result of assets invested in capital assets decreasing by \$625,758, restricted net position decreasing by \$81,491 and unrestricted net position increasing by \$1,178,192. The Sewer Fund, prior to inter-fund activity, incurred a net profit of \$422,258 for the year and the Solid Waste Fund, prior to inter-fund activity, incurred a net profit of \$100,177 which led to an overall net operating profit of \$522,435.

Governmental activities. Governmental activities, prior to transfers, decreased the County's net position by \$566,537 in the current year. Key elements of this decrease are as follows:

- Total expenses of \$31,175,795 increased over the prior fiscal year by \$1,852,999 or 6.3%. The changes in governmental program expenses were as follows:
 - General government expenses increased \$563,060, an increase of 9.4%
 - Public safety expenses increased \$1,633,523, an increase of 10.9%
 - Physical Environment expenses increased \$86,745, an increase of 50.9%
 - Transportation expenses increased \$186,652, an increase of 5.9%
 - Economic environment expenses decreased \$875,856, a decrease of 63.9%
 - Human services expenses increased \$288,337, an increase of 35.8%
 - Culture and recreation expenses decreased \$51,969, a decrease of 2.9%
 - Court-related expenses increased \$34,812, an increase of 3.8%
 - Interest on long-term debt decreased \$12,305, a decrease of 14.2%

- Total revenues of \$30,609,258 decreased over the prior fiscal year by \$2,883,459 or -8.6%. The changes in governmental revenue were as follows:
 - Charges for services increased \$492,740, an increase of 7.7%
 - Operating grant revenue decreased \$877,992, a decrease of 41.0%
 - Capital grant revenue decreased \$1,742,290, a decrease of 67.9%
 - Property and other taxes increased \$508,636, an increase of 3.3%
 - Intergovernmental revenues increased \$256,814, an increase of 5.2%
 - Miscellaneous and other revenues decreased \$1,521,367, a decrease of 73.9%

- The net change in ending net position over the prior year was a decrease of \$515,045 or -0.9%. This change in net position was a result of the following:
 - Total assets decreased over the prior year by \$114,349 or -0.2%. This decrease in assets is further broken down into current and non-current assets with an increase of \$594,743 or 4.4% in current assets and a decrease of \$709,092 or -1.2% in capital assets.
 - Total deferred outflows related to pensions increased over the prior year by \$5,897,192 or 191.2%.
 - Total liabilities increased over the prior year by \$7,694,587 or 44.5%. This increase is further broken down into current and non-current liabilities with an increase of \$121,957 or 4.4% in current liabilities and an increase of \$7,572,630 or 52.1% in long-term liabilities.
 - Total deferred inflows related to pensions decreased over the prior year by \$1,396,699 or -52.3%.

Wakulla County's Government-wide Summary Statement of Changes In Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<u>REVENUES</u>						
Program Revenues:						
Charges for services	\$ 6,872,711	\$ 6,379,971	\$ 4,346,111	\$ 4,197,653	\$ 11,218,822	\$ 10,577,624
Operating grants and contributions	1,263,867	2,141,859	66,856	59,990	1,330,723	2,201,849
Capital grants and contributions	823,895	2,566,185	413,815	72,425	1,237,710	2,638,610
General Revenues:						
Property and other taxes	15,879,370	15,370,734	-	-	15,879,370	15,370,734
Intergovernmental	5,231,019	4,974,205	-	-	5,231,019	4,974,205
Miscellaneous and other	538,396	2,059,763	23,802	13,431	562,198	2,073,194
Total Revenues	\$ 30,609,258	\$ 33,492,717	\$ 4,850,584	\$ 4,343,499	\$ 35,459,842	\$ 37,836,216
<u>EXPENSES</u>						
General government	\$ 6,555,548	\$ 5,992,488	\$ -	\$ -	\$ 6,555,548	\$ 5,992,488
Public Safety	16,614,487	14,980,964	-	-	16,614,487	14,980,964
Physical environment	257,330	170,585	4,246,514	5,010,209	4,503,844	5,180,794
Transportation	3,372,571	3,185,919	-	-	3,372,571	3,185,919
Economic environment	494,470	1,370,326	-	-	494,470	1,370,326
Human services	1,093,046	804,709	-	-	1,093,046	804,709
Culture and recreation	1,756,522	1,808,491	-	-	1,756,522	1,808,491
Court related	957,569	922,757	-	-	957,569	922,757
Interest on long term debt	74,252	86,557	81,635	103,462	155,887	190,019
Total Expenses	\$ 31,175,795	\$ 29,322,796	\$ 4,328,149	\$ 5,113,671	\$ 35,503,944	\$ 34,436,467
<u>NET POSITION</u>						
Increase (decrease) in net assets before transfers	\$ (566,537)	\$ 4,169,921	\$ 522,435	\$ (770,172)	\$ (44,102)	\$ 3,399,749
Gain (Loss) on transfer of liability	-	1,911,461	-	(1,911,461)	-	-
Net transfers	51,492	54,950	(51,492)	(54,950)	-	-
Increase (decrease) in net position	\$ (515,045)	\$ 6,136,332	\$ 470,943	\$ (2,736,583)	\$ (44,102)	\$ 3,399,749
Net position, beginning of year	56,598,432	62,116,479	13,232,665	15,969,248	69,831,097	78,085,727
Prior Period Adjustments	-	(11,654,379)	-	-	-	(11,654,379)
Net position, end of year	\$ 56,083,387	\$ 56,598,432	\$ 13,703,608	\$ 13,232,665	\$ 69,786,995	\$ 69,831,097

Business-type activities. Business-type activities, prior to transfers, increased the County's net position by \$522,435 in the current year. Key elements of this increase are as follows:

- Total expenses of \$4,328,149 decreased from the prior fiscal year by \$785,522 or -15.4%. The changes in business-type program expenses were as follows:
 - Operating expenses decreased by \$763,695, a decrease of 15.2%
 - Interest on long-term debt decreased by \$21,827, a decrease of 21.1%

- Total revenues of \$4,850,584 increased over the prior fiscal year by \$507,085 or 11.7%. The changes in revenue over the prior year by revenue category are as follows:
 - Charges for services increased by \$148,458, an increase of 3.5%
 - Operating grants and contributions increased by \$6,866, an increase of 11.4%.
 - Capital grants and contributions increased by \$341,390, an increase of 471.4%
 - Miscellaneous and other revenues increased by \$10,371, an increase of 77.2%

- The net change in ending net position over the prior year was an increase of \$470,943 or 3.6%. Key elements of this decrease are as follows:
 - Total assets increased over the prior year by \$531,162 or 2.9%. This increase in assets is further broken down into current and non-current assets with current assets decreasing by \$211,344 or -17.2% and non-current assets increasing by \$742,506 or 4.4%.
 - Total liabilities increased over the prior year by \$60,219 or 1.2%. This increase is further broken down into current and non-current liabilities with current liabilities increasing by \$551,634 or 65.8% and non-current liabilities decreasing by \$491,415 or -12.3%.

Financial Analysis of Wakulla County's Funds.

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, assigned and unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balance of \$12,317,000; an increase of \$771,778 in comparison with the prior year's combined fund balance of \$11,545,222. Some of this total amount, \$9,589,129 or 77.9%, constitutes assigned and unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed (i.e. accounts payable or compensated absences) or its use has been restricted (i.e. grants and impact fees) or it is not available for spending whatsoever since it has already been spent (i.e. inventory and prepaid expenses).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned and total fund balances of the general fund were \$3,167,816 and \$5,167,419 respectively. In the prior year, they were \$3,273,523 and \$5,263,930 respectively. As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The general fund's fund balance of \$5,167,419, represents 24.7% of total general fund expenditures of \$20,969,513, while the total governmental fund balance of \$12,317,000, represents 41.4% of all governmental funds expenditures of \$29,795,771.

The fund balance of the County's general fund decreased by \$96,511 during the current fiscal year. Key factors in this decrease of the general fund's fund balance are as follows:

- The general fund's revenues increased over the prior year by \$402,457 or 3.7%. The changes in revenue over the prior year by revenue category are as follows:
 - Taxes increased \$305,046 or 10.2%
 - Licenses, permits and special assessments decreased \$20,358 or -38.1%
 - Intergovernmental revenues increased \$246,822 or 4.6%
 - Charges for services increased \$168,126 or 8.4%
 - Fines and forfeitures decreased \$6,736 or -19.1%
 - Miscellaneous revenues decreased \$292,410 or -87.7%
 - Interest revenue increased by \$1,967 or 2.7%

- The general fund's expenditures increased by \$1,080,523 or 5.5%. The changes in expenditures over the prior year by expenditure category are as follows:
 - General Government increased \$177,895 or 3.1%
 - Public Safety increased \$441,303 or 3.6%
 - Physical Environment increased \$16,411 or 11.3%
 - Transportation increased \$345 or 11.7%
 - Economic Environment increased \$30,549 or 201.0%
 - Human Services increased \$63,026 or 8.7%
 - Culture and Recreation increased \$149,340 or 19.0%
 - There was no change in Court-related expenditures of \$55,000
 - Capital outlay increased by \$201,654 or 266.6%

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Sewer and the Solid Waste funds at the end of the current year amounted to \$100,365, compared to (\$1,077,827) in the prior year, an increase of \$1,178,192 or 109.3%.

The total change in net position was a net increase in the current year of \$470,943 as compared to net decrease of (\$2,736,583) in the prior year. Prior to inter-fund transfers, the Sewer fund finished the year with a gain of \$422,258 and the Solid Waste gained \$100,177, for a net gain in the proprietary funds of \$522,435. The key factors in this increase were as follows:

- The Sewer fund revenues increased over the prior year by \$146,311 or 7.7%.
- The Sewer fund operating expenses increased over the prior year by \$322,569 or 19.1%.
- The Sewer fund non-operating revenue increased over the prior year by \$370,766 or 13,845% (the prior year was a non-operating expense of \$2,678)
- The Solid Waste fund revenues increased over the prior year by \$17,361 or 0.8%.
- The Solid Waste fund expenses decreased over the prior year by \$64,590 or -0.3%.
- The Solid Waste fund non-operating expense decreased over the prior year by \$1,015,838 or -1,004.8%

Budgetary highlights. The County-wide beginning and ending budgets represent all of the combined budgets of the Board of County Commissioners (BOCC) and the five Constitutional Officers except for certain special revenue funds not approved by the BOCC. Those certain

special revenue funds not approved by the BOCC are included in the budgetary note on page 44 for reference only.

The Board of County Commissioners approved 4 budget amendments and 4 budget resolutions subsequent to the originally adopted budget of \$52,203,137. These amendments and resolutions increased the total budget \$1,088,952 resulting in a final budget of \$53,292,089 (Note 3).

The key overall difference between the original budget, \$21,977,781 and the final amended budget, \$21,831,027, for the General Fund is budget amendments which decreased the original budget by \$146,754. Actual revenues were lower than the final budget by \$798,606. Actual expenses were less than the final budget by \$861,514. After inter-fund activity and other financing sources of (\$159,419), the net decrease in fund balance of the General fund was \$96,511 (page 76).

The difference between the General Fund budget shown in Note 3 on page 44 and the General Fund budget shown on page 78 is the effect of inter-fund transfers to Constitutional Officers has been removed from the General Fund budget shown in Note 3.

Capital assets. The County's capital assets for its governmental and business type activities amounts to \$76,935,205 and \$76,901,791 (net of accumulated depreciation) for 2016 and 2015, respectively. This investment in capital assets includes land, buildings, systems and improvements, machinery, furniture and equipment, park facilities, and roads and bridges. The total increase in the County's investment in capital assets for the current fiscal year was \$33,414, net of accumulated depreciation. This change is the result of (Note 6, page 49):

- 2016 Governmental Activities, net of accumulated depreciation and disposals decreased by \$709,092 which means the increase in depreciation and disposals outpaced the County's investment in capital assets for the year. For comparison, 2015 Governmental Activities, net of accumulated depreciation and disposals, increased by \$1,500,295.
- 2016 Business-type Activities, net of accumulated depreciation and disposals increasing by \$742, 506 which means the County's investment in capital assets outpaced depreciation and disposals for the year. For comparison, 2015 Business-type Activities, net of accumulated depreciation and disposals, decreased by \$257,539.

Capital asset activity during the current and prior fiscal years included the following:

- 2016 Governmental Activities:
 - Construction in process included the paving of two roads, Shadeville Road and Otter Lake Road in the amount of \$180,327.
 - Building improvements in the amount of \$696,007 included \$35,782 for Azalea Park; \$65,480 for Medart Park; \$30,247 for Wooley Park; \$549,846 for Shell Point Boat Ramp and \$14,652 for the Library
 - Furniture & Equipment in the amount of \$1,529,176 included \$50,879 for two (2) computer servers for the Clerk of Court and Tax Collector; \$99,076 for four (4) vehicles for the Building Department, Facility Management, Health Department and Parks & Recreation Department; \$176,332 for EMS medical

equipment; \$14,045 for Fire Department equipment and \$231,985 for a Fire truck; \$6,749 for a Library HVAC unit; \$13,518 for Parks & Recreation equipment; \$41,050 for a Godwin By-pass pump for the Road Department; \$204,762 for a Caterpillar excavator and \$410,098 for three (3) Mack dump trucks for the Road Department and \$280,672 for vehicles and equipment for the Sheriff's Office.

- Depreciation in the amount of \$3,207,803 was recognized at year-end.
- Reclassifications and deletions increased Governmental assets in the amount of \$93,201.
- 2016 Business-type Activities:
 - Land in the amount of \$10,350 for three (3) lots in Wakulla Gardens and one (1) lot in Magnolia Gardens was purchased for the sewer expansion project.
 - Construction in progress in the amount of \$1,054,392 was recognized for two (2) projects: \$641,577 for the Otter Creek Wastewater Treatment Plant expansion and upgrade and \$412,815 for the Wakulla Gardens and Magnolia Gardens Sewer Retrofit Project.
 - System improvements in the amount of \$317,028 were recognized for the Hickory Park Lift Station improvements.
 - Equipment increased in the amount of \$41,050 for a Godwin By-pass pump for the Sewer Department.
 - Depreciation in the amount of \$665,473 was recognized at year-end.
 - Reclassifications and deletions decreased Business-type assets in the amount of \$14,841.
- 2015 Governmental Activities:
 - One project, Shell Pt. Boat Ramp, was incomplete at year-end and total construction in process was \$75,400.
 - Buildings and related infrastructure increases totaled \$616,498 for parking improvements completed at Hickory, Hudson and Azalea Parks, trail and lighting improvements at Medart and Azalea Parks, and improvements made to Fire Station #8 in Crawfordville.
 - The BOCC's furniture and equipment increases totaled \$1,004,323 and included the purchase of two trucks, three EMS chest compression units, public safety radio communication equipment, five air conditioning units, two mowers, a track loader, arm mower, rotary cutter and three motor graders. After disposals in the amount of \$934,535, the net increase in furniture and equipment was \$69,787.
 - The Sheriff's furniture and equipment increases totaled \$425,220 and included one Chevy Tahoe, five Chevy Silverados, one Toyota mini-van, one lawn mower, various communication and computer equipment, and video visitation stations and software. After disposal in the amount of \$142,319, the net increase in furniture and equipment for the Sheriff's Office was \$282,901.
 - Several road infrastructure projects totaling \$4,030,852 were completed and included road paving or resurfacing in the amount of \$2,003,017 for Bostic Pelt Road, Trice Lane, Wakulla Arran Road, and Springhill Road. Drainage and bridge related work in the amount of \$1,145,835 was completed for

Walker Creek Bridge, Bostic Pelt Bridge, and Surf Road Bridge. Various subdivisions donated roads to the County in the amount of \$882,000.

- Total depreciation, after reclassifications and deletions, increased \$1,697,294.
- 2015 Business-type Activities:
 - Three projects were incomplete at year-end and total construction in process was \$520,908. These projects included the Hickory Park lift station, the expansion of the Otter Creek Wastewater Treatment Plant (WWTP) and the sewer retrofitting of Wakulla Gardens and Magnolia Gardens subdivisions.
 - Two pieces of equipment were purchased totaling \$20,419 and included a mower and ground-penetrating radar system for identification/location of utilities.
 - Total depreciation of \$668,858 was recognized at year-end.

Long-term debt. At the end of the 2016 and 2015 fiscal years, the County had total outstanding debt of \$27,392,441 and \$20,036,256. Total debt increased \$7,871,622 which is due to an increase in pension liability.

The County's total debt of \$27,392,441 is comprised of six categories (Note 10c): capital leases, notes payable, compensated absences, other post-employment benefits (OPEB) liability, pension liability and estimated landfill closure and post-closure liability. The notes payable are collateralized by the pledging of future revenue from various sources. The County is required to make annual debt service payments on the capital leases and notes payable. The balance at year end and the changes from the prior year for these two categories are:

- Capital leases – The capital leases due at September 30, 2016 were \$527,086 and represents 2.0% of the total debt. It is estimated that all of the capital leases will be payable within the next fiscal year. All of the capital leases were attributable to governmental activities. Capital leases decreased from the prior year by \$17,147.
- Notes payable – The notes payable portion of the County's debt totals \$3,398,520 and represents 12.4% of the total debt. Of the \$3,398,520, \$1,120,253 or 33% is attributable to governmental activities and the other \$2,278,267 or 67% is attributable to business-type activities. It is estimated that \$441,546 of the \$1,120,253 governmental activities balance will be payable within the next fiscal year. Governmental activity notes payable decreased from the prior year by \$686,448. It is estimated that \$497,193 of the \$2,278,267 business-type activities balance will be payable within the next fiscal year. Business-type activity notes payable decreased from the prior year by \$436,028.

The final four categories of long-term debt – compensated absences, other post-employment benefits (OPEB) liability, pension liability and estimated landfill closure and post-closure liability are paid out as they become due and they are not based on a pre-defined payment schedule. The balance at year end and the changes from the prior year for these four categories are:

- Compensated Absences – The compensated absences due at year end were \$895,419 and represents 3.3% of the total debt. It is estimated that between ten percent (10%) and fifteen percent (15%) of the compensated absences or between \$89,541 and \$134,313 will be paid to employees in the next fiscal year. Compensated absences increased over

the prior year by \$1,866. All of the compensated absences are attributable to governmental activities.

- OPEB liability – The “Other Post-Employment Benefits (OPEB) due at year end were \$1,033,000 and represents 3.8% of the total debt. None of the \$1,033,000 balance is expected to be paid in the next fiscal year. OPEB increased over the prior year by \$191,000. All of the OPEB liability is attributable to governmental activities.
- Pension liability – The pension liability due at year end was \$19,734,123 and represents 72.1% of the total debt. The pension liability increased by \$8,382,351 over the prior year. All of the pension liability is attributable to governmental activities.
- Estimated landfill closure and post-closure costs – The estimated landfill closure and post-closure liability at year end was \$1,804,293 and represents 6.4% of the total debt. The landfill liability decreased by \$79,409 from the prior year. All of the landfill liability is attributable to business-type activities.

Increases in total annual long-term debt service payments (principal and interest payments) as a percentage of total expenses may be a good indicator of whether or not the County is reaching a level of inflexibility as it relates to changes in economic conditions and unforeseen events. The County’s total debt service (principal and interest) payment for 2016 and 2015 was \$2,193,069 and \$1,396,042, respectively. The County’s total debt service payment for 2016 and 2015, as a percentage of total expenses, \$35,993,401 for 2016 and \$34,436,467 for 2015, was 6.1% and 4.1%, respectively, which is an increase of 2.0% over the prior year.

Within the notes payable, \$28,465 is special assessment debt for which the County is liable in the event of default by the property owners subject to the assessment. These assessments are charged to the property owners via their ad-valorem tax bills. Not included in the long-term debt is \$157,026 (Note 15) in which the County has guaranteed repayment in the event the Senior Citizen’s Center defaults on their loan. Additional information on the County’s long-term debt can be found in Note 10.

A summary of the County’s outstanding comparative debt schedule is below:

Wakulla County's Outstanding Debt						
	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Capital leases	\$ 527,086	\$ 544,233	-	-	\$ 527,086	\$ 544,233
Note payable	1,120,253	1,806,701	2,278,267	2,714,295	3,398,520	4,520,996
Compensated Absences	895,419	893,553	-	-	895,419	893,553
OPEB Liability	1,033,000	842,000	-	-	1,033,000	842,000
Pension Liability	19,734,123	11,351,772	-	-	19,734,123	11,351,772
Estimated landfill closure	-	-	1,804,293	1,883,702	1,804,293	1,883,702
Total Liabilities	\$ 23,309,881	\$ 15,438,259	\$ 4,082,560	\$ 4,597,997	\$ 27,392,441	\$ 20,036,256

Geographic, Economic & Demographic Factors and Rates

Geographic.

Wakulla County was established on March 11, 1843, became a Charter county in 2008 and consists of 606.42 square miles with approximately two-thirds of this land area being preserved by national, state and local forests, preserves, sanctuaries, management areas and parks. With only two small incorporated towns, Sopchoppy and St. Marks, Crawfordville is the county seat and is the only unincorporated county seat in Florida. The average number of persons per square mile as of 2016 and 2010 was 52 and 51, respectively (BEBR).

Demographic.

Population – The County’s population according to the 2010 census was 30,776. The estimated 2016 population is 31,599 (EDR & BEBR) and 31,893 (US Census), an estimated increase of between 823 and 1,117 or between 2.7% and 3.7%. Of this 823 increase (BEBR), 488 or 59.3% is due to natural increase (net births over deaths) and 335 or 40.7% is due to net migration.

The estimated population for 2020 and 2025 is 33,524 and 35,586, respectively (EDR). Of the County’s 2015 estimated population of 31,283 (BEBR), 6,794 (21.8%) were under the age of 18, 20,515 (65.6%) were between the ages of 18 and 64 and 3,974 (12.6%) were over the age of 65. Approximately 14,135 (45.2%) of the County’s population is female. The County’s ethnicity is estimated to be 80.0% white (25,020), 14.9% African American (4,660), 3.8% Hispanic (1,186) and the remaining 1.3% (417) represent other races or origins. Approximately 12.0% or 3,792 are veterans of the armed forces (EDR) and 2.6% (822) were foreign born (EDR).

Housing – In 2015 and 2010 (US Census) there were 12,892 and 12,804 housing units respectively, an increase of 88 units or 0.7%. The homeownership rate (2011-2015) was 74.8% which was down from 76.0% (2010-2014). Of the 12,804 units (EDR), 2,314 or 18.1% were vacant. No vacancy rate was available for the 12,892 units in 2015. Of the 10,490 (12,804-2,314) occupied units, 2,021 or 19.3% were occupied by renters and the remaining 8,469 units or 80.7% were owner occupied. The number of households (2011-2015, US Census) was 10,691. The average household size was 2.57 persons per household. The median value of owner-occupied housing was \$122,200. There were 136 building permits issued in 2015.

Crime – Overall, crimes were down in Wakulla County but the category for violent crime saw an increase. The 2015 and 2014 crime rate, index crimes per 100,000 population, (FDLE) was 1,978.7 and 2,227.9, respectively, a decrease of 11.2%. Total arrests for 2015 and 2014 were 757 and 931, respectively, a decrease of 38.2%. The Violent Rate for 2015 and 2014 were 326.1 and 274.9, respectively, an increase of 18.6%. The Property Rate for 2015 and 2014 were 1,652.7 and 1,953.0, respectively, a decrease of 15.4%.

Economic.

Employment/Industry – In 2015 and 2014 (EDR) the largest employer by category was Government (State and Local) with 33.4% and 35.2% of the workforce, respectively. This was followed by Trade, Transportation & Utilities (17.5% and 17.5%, respectively), Leisure & Hospitality (12.6% and 10.6%, respectively) and Professional & Business Services (8.8% and 9.4%, respectively) with the other 7 categories comprising the remaining 27.7% and 27.3%, respectively.

The labor force, as a percent of population (age 18 and older) in 2015 and 2010 was 57.1% and 61.2%, respectively. The County's unemployed rate for 2015 and 2010 was 4.6% and 8.4%, respectively. According to the US Census (2011-2005), the number of individuals with disability under age 65 was 13.7% and the number of individuals without health insurance under the age of 65 was 11.1%. 65.2% of workers age 16 and older work outside the County with a mean travel time to work of 33 minutes (EDR).

Income – The per capita personal income (EDR) for 2015 and 2014 was \$31,405 and \$30,062, respectively. The median household income in 2015 (EDR) and 2014 (BEBR) was \$50,340 and \$50,263, respectively. The average annual wage across all industries was \$33,237. The highest average annual wage of \$63,067 was from the Manufacturing Industry which accounted for 10.1% of the employment. The lowest average annual wage of \$13,960 was from the Leisure & Hospitality industry which accounted for 12.6% of the employment. The number of persons living below the poverty level in 2015 was 16.5%.

Education – There are 15 public education institutions in Wakulla County. Of the 15, 6 are elementary schools, 2 are middle schools, 3 are senior high and 3 are a combination of elementary, middle and senior high school and 1 is a community college. The number of persons age 25 or older with a high school diploma or higher education is 88.9% and the number with a bachelor's degree or higher education was 16.1% (EDR).

Business – In 2015 and 2014 (US Census) there were 425 and 419 private non-farm establishments in Wakulla County employing 3,371 and 3,233 employees, respectively.

Sources.

Office of Economic & Demographic Research – www.edr.state.fl.us

Bureau of Economic and Business Research – www.bebr.ufl.edu

U.S. Census Bureau – www.census.gov and www.quickfacts.census.gov

Florida Department of Law Enforcement – www.fdle.state.fl.us/cms/FSAC/County-Profiles/Wakulla.aspx

Requests for Information. This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: County Administrator, Wakulla County, P.O. Box 1263, Crawfordville, FL. 32326 or please visit www.mywakulla.com.

WAKULLA COUNTY, FLORIDA

BASIC FINANCIAL STATEMENTS

WAKULLA COUNTY, FLORIDA
STATEMENT OF NET POSITION
September 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 9,981,031	\$ 642,467	\$ 10,623,498
Accounts receivable - net	1,351,978	241,381	1,593,359
Due from fiduciary funds	355,692	-	355,692
Due from other governmental units	1,368,408	131,475	1,499,883
Inventories	27,207	-	27,207
Prepaid expenses	908,518	-	908,518
Other current assets	-	650	650
Total current assets	13,992,834	1,015,973	15,008,807
Noncurrent assets			
Capital assets - net of accumulated depreciation	59,369,133	17,566,073	76,935,206
Total noncurrent assets	59,369,133	17,566,073	76,935,206
Total assets:	\$ 73,361,967	\$ 18,582,046	\$ 91,944,013
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	\$ 8,982,102	\$ -	\$ 8,982,102
Total deferred outflows of resources:	\$ 8,982,102	\$ -	\$ 8,982,102
LIABILITIES			
Current liabilities			
Accounts payable	\$ 1,035,712	\$ 731,250	\$ 1,766,962
Accrued liabilities	411,797	-	411,797
Due to individuals	11,436	-	11,436
Due to agency funds	257	-	257
Due to other governmental units	17,262	-	17,262
Unearned grant revenue	198,276	-	198,276
Interest payable	-	17,618	17,618
Deposits	-	47,010	47,010
Accrued compensated absences	107,912	-	107,912
Pension liability	122,081	-	122,081
Landfill post-closure liability	-	96,362	96,362
Capital leases payable	527,086	-	527,086
Notes payable	441,546	497,193	938,739
Other current liabilities	1,094	-	1,094
Total current liabilities	2,874,459	1,389,433	4,263,892
Noncurrent liabilities			
Other post-employment benefit liability	1,033,000	-	1,033,000
Accrued compensated absences	787,507	-	787,507
Pension liability	19,612,042	-	19,612,042
Landfill post-closure costs	-	1,707,931	1,707,931
Notes payable	678,707	1,781,074	2,459,781
Total noncurrent liabilities	22,111,256	3,489,005	25,600,261
Total liabilities	\$ 24,985,715	\$ 4,878,438	\$ 29,864,153
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	\$ 1,274,967	\$ -	\$ 1,274,967
Total deferred inflows of resources:	\$ 1,274,967	\$ -	\$ 1,274,967
NET POSITION			
Invested in capital assets, net of related debt	\$ 57,721,794	\$ 13,483,513	\$ 71,205,307
Restricted for:			
Debt Service Sinking Fund	278,505	23,368	301,873
Landfill closure	-	96,362	96,362
Public Safety	1,302,298	-	1,302,298
Capital projects	314,952	-	314,952
Other purposes	689,512	-	689,512
Unrestricted	(4,223,674)	100,365	(4,123,309)
Total net position	\$ 56,083,387	\$ 13,703,608	\$ 69,786,995

See notes to financial statements

WAKULLA COUNTY, FLORIDA

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2016

FUNCTIONS / PROGRAMS	Program Services Revenues				Net (Expenses) Revenues and Change in Net Assets		Total
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	
Governmental activities							
General Government	\$ 6,555,548	\$ 490,034	\$ 4,597	\$ -	\$ (6,060,917)		\$ (6,060,917)
Public Safety	16,614,487	4,934,968	607,190	-	(11,072,329)		(11,072,329)
Physical Environment	257,330	-	-	-	(257,330)		(257,330)
Transportation	3,372,571	14,303	-	325,553	(3,032,715)		(3,032,715)
Economic Environment	494,470	-	414,583	-	(79,887)		(79,887)
Human Services	1,093,046	9,332	31,540	-	(1,052,174)		(1,052,174)
Culture / Recreation	1,756,522	273,342	122,987	498,342	(861,851)		(861,851)
Court related	957,569	1,150,732	82,970	-	276,133		276,133
Interest on long-term debt	74,252	-	-	-	(74,252)		(74,252)
Total governmental activities:	31,175,795	6,872,711	1,263,867	823,895	(22,215,322)	-	(22,215,322)
Business-type activities							
Physical Environment	4,246,514	4,346,111	66,856	413,815	-	580,268	580,268
Interest on long-term debt	81,635	-	-	-	-	(81,635)	(81,635)
Total business-type activities:	4,328,149	4,346,111	66,856	413,815	-	498,633	498,633
Total government	\$ 35,503,944	\$ 11,218,822	\$ 1,330,723	\$ 1,237,710	\$ (22,215,322)	\$ 498,633	\$ (21,716,689)
General revenues							
Ad valorem taxes					8,572,059	-	8,572,059
Sales and use taxes					4,305,510	-	4,305,510
Public utility service tax					1,369,459	-	1,369,459
Communication service tax					762,473	-	762,473
Federal payments in lieu of tax					869,869	-	869,869
Shared intergovernmental revenues					5,231,019	-	5,231,019
Interest earnings					91,760	7,850	99,610
Miscellaneous					173,640	9,587	183,227
Gain (loss) on disposition of fixed assets					272,996	6,365	279,361
Transfers					51,492	(51,492)	-
Total general revenue					21,700,277	(27,690)	21,672,587
Change in net position					(515,045)	470,943	(44,102)
Net position - beginning					56,598,432	13,232,665	69,831,097
Net position - ending					\$ 56,083,387	\$ 13,703,608	\$ 69,786,995

See notes to financial statements

WAKULLA COUNTY, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2016

	Special Revenue Funds			Capital Project Funds		Other Governmental Funds	Total
	General Fund	Sheriff's Office Fund	SHIP Fund	Capital Project Fund	One Cent Sales Tax Fund		
ASSETS							
Assets							
Cash and cash equivalents	\$ 4,335,511	\$ 53,034	\$ 123,294	\$ -	\$ 2,630,824	\$ 2,838,368	\$ 9,981,031
Accounts receivable, net	921,964	-	-	239,845	-	190,169	1,351,978
Due from agency funds	34,422	-	-	-	-	55,277	89,699
Due from other funds	356,686	376,559	-	10,349	287,619	179,351	1,210,564
Due from other governmental units	301,782	192,696	33,739	102,038	269,285	468,868	1,368,408
Inventories	-	-	-	-	-	27,207	27,207
Prepaid expenses	501,230	-	-	-	390,000	17,288	908,518
Total assets	\$ 6,451,595	\$ 622,289	\$ 157,033	\$ 352,232	\$ 3,577,728	\$ 3,776,528	\$ 14,937,405
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 546,345	\$ -	\$ 1,920	\$ 75,236	\$ 207,097	\$ 205,114	\$ 1,035,712
Accrued liabilities	366,368	-	-	-	-	45,429	411,797
Due to individuals	-	-	-	-	-	11,436	11,436
Due to agency funds	236	-	-	-	-	21	257
Due to other funds	366,479	-	-	171,734	50,273	356,085	944,571
Due to other governmental units	2,351	-	-	-	3,298	11,613	17,262
Unearned revenue	1,303	-	155,113	-	-	41,860	198,276
Other current liabilities	1,094	-	-	-	-	-	1,094
Total liabilities	\$ 1,284,176	\$ -	\$ 157,033	\$ 246,970	\$ 260,668	\$ 671,558	\$ 2,620,405
Fund balances							
Nonspendable							
Inventories	-	-	-	-	-	27,207	27,207
Prepaid expenses	501,230	-	-	-	390,000	17,288	908,518
Restricted	635,938	-	-	-	203,457	810,147	1,649,542
Committed	93,387	-	-	-	-	49,217	142,604
Assigned	769,048	622,289	-	105,262	2,723,603	2,203,547	6,423,749
Unassigned	3,167,816	-	-	-	-	(2,436)	3,165,380
Total fund balances	5,167,419	622,289	-	105,262	3,317,060	3,104,970	12,317,000
Total liabilities and fund balances	\$ 6,451,595	\$ 622,289	\$ 157,033	\$ 352,232	\$ 3,577,728	\$ 3,776,528	

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

1. Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds: 59,369,133
2. Long-term liabilities are not due and payable and, therefore, are not reported in the funds:
 - a. Notes and capital leases (1,647,339)
 - b. Compensated absences, other post-employment benefits and pension liabilities (13,955,407)

Net assets of governmental activities:

\$ 56,083,387

See notes to financial statements

WAKULLA COUNTY, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016

	Special Revenue Funds			Capital Project Funds		Other Governmental Funds	Total
	General Fund	Sheriff's Office Fund	SHIP Fund	Capital Project Fund	One Cent Sales Tax Fund		
REVENUES							
Taxes	\$ 3,295,637	\$ 7,408,354	\$ -	\$ -	\$ 2,301,853	\$ 2,003,657	\$ 15,009,501
Licenses, permits and special assessments	33,075	-	-	-	-	1,179,301	1,212,376
Intergovernmental	5,706,099	-	406,451	533,211	-	1,700,427	8,346,188
Charges for services	2,189,133	1,909,627	-	-	-	1,278,556	5,377,316
Fines and forfeitures	28,536	-	-	-	-	96,945	125,481
Miscellaneous	41,240	-	-	31,608	-	110,548	183,396
Interest	76,215	6,990	767	-	962	6,826	91,760
Total revenues	\$ 11,369,935	\$ 9,324,971	\$ 407,218	\$ 564,819	\$ 2,302,815	\$ 6,376,260	\$ 30,346,018
EXPENDITURES							
Current expenditures							
General government	\$ 5,922,098	\$ -	\$ -	\$ -	\$ -	\$ 64,352	\$ 5,986,450
Public safety	12,778,253	-	-	-	-	2,474,392	15,252,645
Physical environment	162,057	-	-	-	-	20,000	182,057
Transportation	3,297	-	-	71,476	14,775	1,739,447	1,828,995
Economic environment	45,750	-	407,218	-	-	155	453,123
Human services	787,576	-	-	-	-	38,446	826,022
Culture & recreation	938,177	-	-	-	51,576	223,468	1,213,221
Court related	55,000	-	-	-	-	814,901	869,901
Capital outlay expenditures							
General government	50,879	-	-	-	-	-	50,879
Public safety	202,350	-	-	-	231,985	293,699	728,034
Transportation	-	-	-	-	1,000	835,238	836,238
Human services	24,076	-	-	-	-	-	24,076
Culture & recreation	-	-	-	529,718	189,662	46,903	766,283
Debt service expenditures							
Principal	-	-	-	-	557,895	145,700	703,595
Interest	-	-	-	-	33,505	40,747	74,252
Total expenditures	\$ 20,969,513	\$ -	\$ 407,218	\$ 601,194	\$ 1,080,398	\$ 6,737,448	\$ 29,795,771
Excess of revenues over (under) expenditures:	\$ (9,599,578)	\$ 9,324,971	\$ -	\$ (36,375)	\$ 1,222,417	\$ (361,188)	\$ 550,247
OTHER FINANCING SOURCES (USES)							
Sale of equipment	\$ 1,520	\$ -	\$ -	\$ -	\$ -	\$ 178,275	\$ 179,795
Transfers from the Board of County Commissioners	12,886,626	-	-	-	-	247,329	13,133,955
Transfers to other governments	(143)	-	-	-	-	(9,613)	(9,756)
Interfund transfers in	463,084	903,198	-	41,725	-	367,010	1,775,017
Interfund transfers out	(3,848,020)	(10,358,324)	-	(5,350)	(227,439)	(418,347)	(14,857,480)
Total other financing sources (uses)	\$ 9,503,067	\$ (9,455,126)	\$ -	\$ 36,375	\$ (227,439)	\$ 364,654	\$ 221,531
Net change in fund balances	(96,511)	(130,155)	-	-	994,978	3,466	771,778
Fund balances at beginning of year	5,263,930	752,444	-	105,262	2,322,082	3,101,504	11,545,222
Fund balances at end of year	\$ 5,167,419	\$ 622,289	\$ -	\$ 105,262	\$ 3,317,060	\$ 3,104,970	\$ 12,317,000

See notes to financial statements

WAKULLA 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, 2016**

Net change in fund balances - total governmental funds	\$	771,778
1. Amounts reported for governmental activities in the statement of activities are different because:		
- Governmental funds report capital outlay as expenditures and debt proceeds as revenues. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense and debt proceeds are reclassified as a liability.		
- Capital outlay expenditures	2,405,510.00	
- Less current year depreciation expense	<u>(3,207,803)</u>	(802,293)
2. The net gain (loss) recognized on disposition of fixed assets:		
		93,201
3. Repayment of debt principal are expenditures and debt proceeds are revenues in the governmental funds but the repayment of debt principal reduces long-term liabilities and debt proceeds increases long-term liabilities in the Statement of Net Assets.		
- Capital lease payments	17,147	
- Note principal payments	<u>686,448</u>	703,595
4. Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.		
- Net change in compensated absences:	(1,866)	
- Net change in other post-employment benefits payable:	(191,000)	
- Net change in pension liability:	(8,382,351)	
- Net change in deferred outflows/inflows related to pensions	<u>7,293,891</u>	(1,281,326)
Change in net position of governmental activities:	\$	<u>(515,045)</u>

See notes to financial statements

WAKULLA COUNTY, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2016**

	<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 142,377	\$ 500,090	\$ 642,467
Accounts receivable, net	236,914	4,467	241,381
Due from other governmental units	86,120	45,355	131,475
Other current assets	650	-	650
Total current assets	<u>466,061</u>	<u>549,912</u>	<u>1,015,973</u>
Noncurrent assets			
Capital assets - net	17,526,091	39,982	17,566,073
Total noncurrent assets	<u>17,526,091</u>	<u>39,982</u>	<u>17,566,073</u>
Total assets:	<u>\$ 17,992,152</u>	<u>\$ 589,894</u>	<u>\$ 18,582,046</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 680,766	\$ 50,484	\$ 731,250
Interest payable	2,956	14,662	17,618
Customer deposits	47,010	-	47,010
Landfill post-closure liability	-	96,362	96,362
Notes payable	435,526	61,667	497,193
Total current liabilities	<u>1,166,258</u>	<u>223,175</u>	<u>1,389,433</u>
Noncurrent liabilities			
Landfill post-closure liability	-	1,707,931	1,707,931
Notes payable	979,552	801,522	1,781,074
Total noncurrent liabilities	<u>979,552</u>	<u>2,509,453</u>	<u>3,489,005</u>
Total liabilities	<u>\$ 2,145,810</u>	<u>\$ 2,732,628</u>	<u>\$ 4,878,438</u>
NET POSITION			
Invested in capital assets - net	\$ 16,111,013	\$ (2,627,500)	\$ 13,483,513
Restricted for:			
Debt Service Sinking Fund	23,368	-	23,368
Landfill closure	-	96,362	96,362
Unrestricted	(288,039)	388,404	100,365
Total net position	<u>\$ 15,846,342</u>	<u>\$ (2,142,734)</u>	<u>\$ 13,703,608</u>

See notes to financial statements

WAKULLA COUNTY, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2016

	<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
Operating revenues			
Special Assessments	\$ -	\$ 2,233,779	\$ 2,233,779
Charges for services	2,057,847	54,485	2,112,332
Operating grants	-	66,856	66,856
Miscellaneous	9,587	-	9,587
Total operating revenues	<u>2,067,434</u>	<u>2,355,120</u>	<u>4,422,554</u>
Operating expenses			
Materials, supplies and other	1,349,870	2,151,762	3,501,632
Depreciation and amortization	663,394	2,079	665,473
Total operating expenses	<u>2,013,264</u>	<u>2,153,841</u>	<u>4,167,105</u>
Operating profit (loss)	<u>\$ 54,170</u>	<u>\$ 201,279</u>	<u>\$ 255,449</u>
Non-operating revenues (expenses)			
Capital grants and contributions	\$ 413,815	\$ -	\$ 413,815
Landfill closure expenses	-	(79,409)	(79,409)
Interest and other non-operating	108	7,742	7,850
Gain (Loss) on disposal of assets	6,365	-	6,365
Interest expense	(52,200)	(29,435)	(81,635)
Total non-operating revenues (expenses)	<u>368,088</u>	<u>(101,102)</u>	<u>266,986</u>
Net income (loss) before transfers	<u>\$ 422,258</u>	<u>\$ 100,177</u>	<u>\$ 522,435</u>
Transfer activity			
Operating transfers in	\$ 1,960,680	\$ 110,743	\$ 2,071,423
Operating transfers out	(2,026,180)	(96,735)	(2,122,915)
Net transfer activity	<u>(65,500)</u>	<u>14,008</u>	<u>(51,492)</u>
Change in net position	<u>\$ 356,758</u>	<u>\$ 114,185</u>	<u>\$ 470,943</u>
Total net position, beginning of year	<u>15,489,584</u>	<u>(2,256,919)</u>	<u>13,232,665</u>
Total net position, end of year	<u>\$ 15,846,342</u>	<u>\$ (2,142,734)</u>	<u>\$ 13,703,608</u>

See notes to financial statements

WAKULLA COUNTY, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2016

	<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
Cash flows from operating activities			
Cash received from customers and others	\$ 2,072,531	\$ 2,325,374	\$ 4,397,905
Cash paid to suppliers	(812,678)	(2,122,969)	(2,935,647)
Net cash provided by (used in) operating activities	<u>1,259,853</u>	<u>\$ 202,405</u>	<u>1,462,258</u>
Cash flows from non-capital financing activities			
Cash operating loans from (to) other funds	(65,500)	14,008	(51,492)
Net cash provided by (used in) non-capital financing activities	<u>(65,500)</u>	<u>14,008</u>	<u>(51,492)</u>
Cash flows from capital and related financing activities			
Capital interfund transfers, net	413,815	-	413,815
Proceeds of long-term debt	904,894	-	904,894
Principal payments on long-term debt	(1,340,923)	(79,409)	(1,420,332)
Acquisition and construction of capital assets, net	(1,401,614)	(79,409)	(1,481,023)
Interest paid	(59,530)	(14,773)	(74,303)
Net cash provided by (used in) capital and related financing activities	<u>(1,483,358)</u>	<u>(173,591)</u>	<u>(1,656,949)</u>
Cash flows from investing activities			
Interest and other non-operating revenues	108	7,742	7,850
Net cash provided by investing activities	<u>108</u>	<u>7,742</u>	<u>7,850</u>
Net increase (decrease) in cash and cash equivalents	(288,897)	50,564	(238,333)
Cash and cash equivalents, beginning of year	431,274	449,526	880,800
Cash and cash equivalents, end of year	<u>\$ 142,377</u>	<u>\$ 500,090</u>	<u>\$ 642,467</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities			
Operating profit (loss)	\$ 54,170	\$ 201,279	\$ 255,449
Adjustments to reconcile operating profit (loss) to net cash provided by (used in) operating activities			
Depreciation	663,394	2,079	665,473
(Increase) / decrease in assets			
Accounts receivable	16,452	(4,467)	11,985
Accounts payable and accrued expenses	537,192	28,793	565,985
Due from/to other governmental units	(13,695)	(25,279)	(38,974)
Deposits	2,340	-	2,340
Total adjustments	<u>1,205,683</u>	<u>1,126</u>	<u>1,206,809</u>
Net cash provided by (used in) operating activities	<u>\$ 1,259,853</u>	<u>\$ 202,405</u>	<u>\$ 1,462,258</u>

See notes to financial statements

WAKULLA COUNTY, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION -
AGENCY FUNDS
September 30, 2016**

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 1,142,027
Accounts receivable, net	21,665
Due from other funds	257
Total assets	\$ 1,163,949
LIABILITIES	
Liabilities	
Accounts payable	\$ 557
Due to individuals	283,670
Due to other funds	355,692
Due to other governmental units	405,722
Other current liabilities	118,308
Total liabilities	\$ 1,163,949
Total net position	-
Total liabilities and net position	\$ 1,163,949

See notes to financial statements

WAKULLA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Wakulla 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 a Chartered County pursuant to Article III, Section 1(c) and (g) of the Constitution of the State of Florida. Wakulla's citizens, pursuant to Florida Statute 125.8, approved a home rule charter on a ballot initiative on November 4, 2008. The Board of County Commissioners (the BOCC) codified the governance of its Home Rule Charter in Wakulla County Ordinance 2008-14. The County is governed by a five member Board of County Commissioners and five Constitutional Officers. Please refer to the Principal Officer List on page *vii* of the Introductory Section. The Constitutional Officers maintain separate accounting records and budgets from the BOCC. 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 governmental 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 County) and its component units. However, some component units, because of the closeness of their relationships with the County, should be blended as though they are part of the County. Otherwise, most component units should be discretely presented. As required by GAAP, the financial reporting entity consists of (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion from the financial statements would cause the reporting entity's financial statements to be misleading or incomplete.

The County is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected

governing 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.

As such, the financial statements of the five (5) constitutional officers are included in the county-wide financial statements found on pages 19-27 and the accompanying notes to those statements. In addition, because these elected officials are accountable to their constituents for their actions, separate financial statements are provided for each of the constitutional officers on pages 133-283.

1. Blended Component Unit

Management has determined that the Wakulla County Industrial Development Authority (WCIDA) is a component unit of the County. The WCIDA was created by BOCC Ordinance 2016-5 pursuant to the provisions of Section 159.45 and 189.4041, Florida Statutes. The BOCC appoints the governing body and approves the budget of the WCIDA. Although legally separate, the WCIDA is appropriately blended as a governmental fund-type (special revenue fund) component unit into the primary government.

B. Measurement Focus and Basis of Accounting

The basic financial statements of the County are comprised of the following components: (a) Government-wide financial statements, (b) Fund financial statements, (c) Notes to the financial statements, and (d) 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 any discretely presented component units. 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 separately component unit for which the primary government is financially accountable.

Government-wide financial statements are reported using 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 the exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement 33 – Accounting and Financial Reporting for Non-Exchange 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 expenditures. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as expenditures.

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

2. Fund Financial Statements

The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. 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 fund financial statements of the County’s governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds, individually and non-major funds in the aggregate for governmental and enterprise funds. The fiduciary statement includes financial information for the agency funds. The agency funds of the County primarily represent assets held by the County in a custodial capacity for other individuals, organizations 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 available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be the measure of “available spending resources”. Governmental funds operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current position. 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 due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Non-current portions of long-term receivables are offset by fund balance reserve accounts. Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current position, 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 other financing sources, 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

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 non-current) 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, 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. Non-operating revenues, such as subsidies, taxes and investment earnings, result from non-exchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as an expense. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as other financing sources. 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 or the governmental and enterprise combined) for the determination of major funds. The County has used GASB 34 minimum criteria for major fund determination. The major funds of the County may vary from year to year. In addition, the County has elected to disclose certain 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 individually in the Combining Statements section.

1. Governmental Major Funds

The following are the major governmental funds of the County:

- 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.
- Sheriff's Office Fund – The Sheriff's Office Fund, formerly called the Fine & Forfeiture Fund, accounts for the transactions relating to the Sheriff's Office primary operations which are Courthouse & Bailiff Security, Emergency Management, Law Enforcement and Corrections.
- State Housing Initiatives Partnership (SHIP) Fund – The SHIP fund accounts for transactions relating to the down payment assistance and repairs and maintenance on homes to eligible low-income individuals.
- Capital Project Fund – The Capital Project Fund accounts for projects funded by Federal and State grant dollars as well as locally funded projects. In Fiscal Year 2015-16 the projects funded included a library energy retrofit grant, grants for improvements to Shell Point Boat Ramp, and a FEMA mitigation grant for Hilliardville Road.
- One Cent Sales Tax Fund – The One Cent Sales Tax Fund accounts for the transactions related to the collection of the local One Cent Sales Tax proceeds and their use to fund capital improvements on public roads and bridges, public facilities, public safety infrastructure and equipment and public parks and recreational facilities.

2. Proprietary Major Funds

The following are the major proprietary funds of the County:

- Sewer Fund – The Sewer Fund accounts for the transactions related to the operation of the County's sewer facilities. The Sewer Fund also includes the transactions of the operation of a small county owned water facility known as Riversink Water.
- Solid Waste Fund – The Solid Waste Fund accounts for the transactions of the County's solid waste collection and disposal services and maintenance and monitoring of one Class I and one Class III landfill.

3. Receivables and Payables

Activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to other funds" and "due from other funds". Any residual balances outstanding between the governmental activities and the 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 one year would comprise the trade accounts receivable allowance for doubtful accounts.

4. Inventories

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

5. Restricted Assets

Certain portions of the net position of the County are classified as restricted on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation or by restrictions imposed externally by creditors, grantors, contributions or laws and regulations of other governments. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted assets and then from unrestricted assets.

6. Capital Assets

Capital assets, which include property, plant, buildings, equipment and system infrastructure assets (roads, bridges, right-of-ways, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to June 30, 1980, assets are recorded at historical cost or estimated historical cost. Roads and bridges constructed prior to June 30, 1980 are generally not reported. Donated capital assets are recorded at estimated fair market value at the day 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 asset constructed.

The County holds legal title to the capital assets used in the operations of the Board of County Commissioners, the Clerk of the Circuit Court, the Property Appraiser, the Supervisor of Elections and the Tax Collector and is accountable for them under Florida Law. The Sheriff is accountable for and thus maintains capital asset records pertaining only to equipment used in its operations. These assets have been combined with the Board’s governmental activities capital assets in the Statement of Net Position.

An asset that was in service for any portion of the fiscal year is depreciated as though it was in service for the entire year. 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>
Machinery and equipment	5 – 10
Buildings and improvements	10 – 40
System infrastructure	30 – 50

7. Capitalization of Interest

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

8. Deferred Inflows and Deferred Outflows

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that future period. These deferred inflows of resources will be recognized as revenue in the fiscal year in which they are earned in accordance with the accrual basis of accounting.

Deferred outflows of resources represent a consumption of net position that is applicable to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure) until that future period. These deferred outflows of resources will be recognized as expense or expenditures in the fiscal year in which they are used in accordance with the accrual basis of accounting.

Both the deferred inflow and outflow of resources reported in the Government-wide financial statements are related to the County's pension plan as discussed in greater detail in Note 12.

9. Unearned Revenue

Unearned revenue reported in the 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. These unearned revenues are primarily related to unearned grant revenue.

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 – 15% for the Board of County Commissioners and the offices of the Clerk of Court, Property Appraiser, Supervisor of Elections and Tax Collector and 10% for the Sheriff's Office. 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 financial statement presentations.

11. Obligation of 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 the accounting of rebatable arbitrage. This approach treats excess earnings as a reduction of revenue.

The County has no arbitrage liability outstanding as of September 30, 2016.

12. Landfill Closure Costs

Under the terms of the current state and federal regulations, the County was required to place a final cover on closed landfill areas and to perform certain monitoring and maintenance functions for a period of twenty years after closure. The County recognizes these costs of post-closure maintenance annually. Required obligations for closure and post-closure costs were previously recognized in the General Fund of the County but management made an accounting change in fiscal year 2014-2015 moving these required obligations to the Landfill Fund (see Note 18).

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 (\$12,317,000) reported in the Balance Sheet on page 22 differs from “Total net position” of governmental activities (\$56,083,387) reported in the Statement of Net Position on page 20. 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. The components of this difference are:

1. Capital asset related activity

When capital assets (property, plant and equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets is reported as expenditures in governmental fund financial statements. However, the Statement of Net Position included those capital assets among the assets of the County as a whole. The difference in this activity is calculated below (see Note 6):

Cost of capital assets	\$99,978,021	
Less accumulated depreciation	<u>(40,608,888)</u>	\$59,369,133

2. Long-term debt activity

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 in the governmental fund financial statements. In contrast, all liabilities (both current and long-term) are reported in the government-wide Statement of Net Position. The difference in this activity is calculated below (see Note 10):

Capital lease payable	\$ 527,086	
Notes payable	1,120,253	
Compensated absences	895,419	
Other post-employment benefits	1,033,000	
Pension liability	<u>19,734,123</u>	\$23,309,881

3. Deferred outflows / inflows of resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an expenditure in the governmental funds until that period. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as revenue in the governmental funds until that period. However, the Statement of Net Position includes these deferrals. The total deferred outflows / inflows are (see Note 12):

Deferred outflows related to pensions	\$8,982,102	
Deferred inflows related to pensions	<u>(1,274,967)</u>	\$7,707,135

4. Inter-fund receivables/payables activity

Activity involving inter-fund receivables and payables between governmental funds must be eliminated for the Statement of Net Position in order to remove the “doubling effect” this inter-fund activity has on the Statement of Net Position. The components of this activity are (see Note 8):

Due from other funds	\$944,571	
Due to other funds	<u>(944,571)</u>	\$0

The reconciliation of these differences is illustrated in Note 2a on the following page.

WAKULLA 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 Activity	Long-Term Debt Activity	Compensated Absences & OPEB Activity	Net Pension Liability	Deferred Outflows / Inflows of Resources Activity	Interfund Receivables / Payables Activity	Statement of Net Position
ASSETS								
Cash and cash equivalents	\$ 9,981,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,981,031
Accounts receivable, net	1,351,978	-	-	-	-	-	-	1,351,978
Due from fiduciary funds	89,699	-	-	-	-	-	265,993	355,692
Due from other funds	1,210,564	-	-	-	-	-	(1,210,564)	-
Due from other governmental units	1,368,408	-	-	-	-	-	-	1,368,408
Deferred outflows related to pensions	-	-	-	-	-	8,982,102	-	8,982,102
Inventories	27,207	-	-	-	-	-	-	27,207
Prepaid expenses	908,518	-	-	-	-	-	-	908,518
Capital assets, net	-	59,369,133	-	-	-	-	-	59,369,133
Total assets	\$ 14,937,405	\$ 59,369,133	\$ -	\$ -	\$ -	\$ 8,982,102	(944,571)	\$ 82,344,069
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 1,035,712	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,035,712
Accrued liabilities	411,797	-	-	-	-	-	-	411,797
Due to individuals	11,436	-	-	-	-	-	-	11,436
Due to agency funds	257	-	-	-	-	-	-	257
Due to other funds	944,571	-	-	-	-	-	(944,571)	-
Due to other governmental units	17,262	-	-	-	-	-	-	17,262
Unearned grant revenue	198,276	-	-	-	-	-	-	198,276
Deferred inflows related to pensions	-	-	-	-	-	1,274,967	-	1,274,967
Other post-employment benefits	-	-	-	1,033,000	-	-	-	1,033,000
Accrued compensated absences	-	-	-	895,419	-	-	-	895,419
Pension liability	-	-	-	-	19,734,123	-	-	19,734,123
Capital leases payable	-	-	527,086	-	-	-	-	527,086
Notes payable	-	-	1,120,253	-	-	-	-	1,120,253
Other current liabilities	1,094	-	-	-	-	-	-	1,094
Total Liabilities	2,620,405	-	1,647,339	1,928,419	19,734,123	1,274,967	(944,571)	26,260,682
Fund balances / net position	\$ 12,317,000	\$ 59,369,133	\$ (1,647,339)	\$ (1,928,419)	\$ (19,734,123)	\$ 7,707,135	\$ -	\$ 56,083,387
Total liabilities and fund balances / net position	\$ 14,937,405	\$ 59,369,133	\$ -	\$ -	\$ -	\$ 8,982,102	\$ (944,571)	\$ 82,344,069

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

The “Net change in fund balances” for governmental funds of \$771,778 reported in the Statement of Revenues, Expenditures And Changes In Fund Balances on page 23 differs from the “Change in net position” for governmental activities of (\$515,045) reported in the Statement of Activities on page 21. 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 components of this difference are:

1. Capital asset related activity

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 for the purchase or construction of the assets, whereas net position decreases by the amount of depreciation expense charged for the year. The difference in this activity is calculated below (see Note 6):

Capital outlay additions	\$2,405,510	
Less depreciation expense	(3,207,803)	
Plus gain on disposition of fixed assets	<u>93,201</u>	(\$709,092)

2. Long-term debt activity

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 to pay down the debt. 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. Some transactions reported in the Statement of Activities do not provide for or require the use of current financial resources, therefore, are not reported in the governmental funds. Other liabilities such as compensated absences, other post-employment benefits and pension liability are not recorded in the governmental funds until they are actually expended but are recorded in the Statement of Activities regardless of when they are due. The difference in this activity is calculated below (see Note 10):

Debt principal payments	\$ 703,595	
Less increase in compensated absences	(1,866)	
Less increase in other post-employment benefits	(191,000)	
Less increase in pension liability	<u>(8,382,351)</u>	(\$7,871,622)

3. Deferred outflows / inflows of resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an expenditure in the governmental funds until that period. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as revenue in the governmental funds until that period. However, the Statement of Net Position includes these deferrals. The total deferred outflows / inflows are (see Note 12):

Increase in deferred outflows	\$5,897,192	
Decrease in deferred inflows	<u>1,396,699</u>	\$7,293,891

4. Inter-fund receivables/payables activity

Activity involving inter-fund transfers in and inter-fund transfers out between governmental funds and between the Board of County Commissioners and the five (5) elected constitutional officers must be eliminated for the Statement of Activities in order to remove the “doubling effect” this inter-fund activity has on the Statement of Activities. The components of this activity are (see Note 7):

Transfers In from the Board	(\$13,133,955)	
Less inter-fund transfers out	<u>13,133,955</u>	\$0

The reconciliation of these differences is illustrated in Note 2b on the following page.

WAKULLA COUNTY, FLORIDA

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

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

	Total Governmental Funds	Capital Related Activity	Long-Term Debt Activity	Compensated Absences & OPEB Activity	Net Pension Liability Activity	Deferred Outflows / Inflows of Resources Activity	Interfund Receivables / Payables Activity	Statement of Activities
REVENUES								
Taxes	\$ 15,009,501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,009,501
Licenses, permits and special assessments	1,212,376	-	-	-	-	-	-	1,212,376
Intergovernmental	8,346,188	-	-	-	-	-	-	8,346,188
Charges for services	5,377,316	-	-	-	-	-	-	5,377,316
Fines and forfeitures	125,481	-	-	-	-	-	-	125,481
Miscellaneous	183,396	-	-	-	-	-	-	183,396
Interest	91,760	-	-	-	-	-	-	91,760
Total revenues	\$ 30,346,018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,346,018
EXPENDITURES								
Current Expenditures								
General government	\$ 5,986,450	\$ 237,999	\$ -	\$ 231,393	\$ 1,711,887	\$ (1,612,181)	\$ -	\$ 6,555,548
Public Safety	15,252,645	984,530	-	(68,652)	5,384,527	(4,938,563)	-	16,614,487
Physical Environment	182,057	11,239	-	1,272	127,921	(65,159)	-	257,330
Transportation	1,828,995	1,543,576	-	-	-	-	-	3,372,571
Economic Environment	453,123	14,947	-	637	44,380	(18,617)	-	494,470
Human Services	826,022	147,267	-	9,405	201,259	(90,907)	-	1,093,046
Culture and recreation	1,213,221	268,245	-	4,919	537,131	(266,994)	-	1,756,522
Court related	869,901	-	-	13,892	375,246	(301,470)	-	957,569
Capital Outlay								
General government	50,879	(50,879)	-	-	-	-	-	-
Public Safety	728,034	(728,034)	-	-	-	-	-	-
Transportation	836,238	(836,238)	-	-	-	-	-	-
Human Services	24,076	(24,076)	-	-	-	-	-	-
Culture and recreation	766,283	(766,283)	-	-	-	-	-	-
Debt Service								
Principal	703,595	-	(703,595)	-	-	-	-	-
Interest	74,252	-	-	-	-	-	-	74,252
Total Expenditures	\$ 29,795,771	\$ 802,293	\$ (703,595)	\$ 192,866	\$ 8,382,351	\$ (7,293,891)	\$ -	\$ 31,175,795
Excess of revenue over (under) expenditures	\$ 550,247	\$ (802,293)	\$ 703,595	\$ (192,866)	\$ (8,382,351)	\$ 7,293,891	\$ -	\$ (829,777)
OTHER FINANCING SOURCES (USES)								
Gain (loss) on disposal of fixed assets	179,795	93,201	-	-	-	-	-	272,996
Transfers from the Board of County Commissioners	13,133,955	-	-	-	-	-	(13,133,955)	-
Transfers to other governments	(9,756)	-	-	-	-	-	-	(9,756)
Interfund transfers in	1,775,017	-	-	-	-	-	-	1,775,017
Interfund transfers out	(14,857,480)	-	-	-	-	-	13,133,955	(1,723,525)
Total other financing sources (uses)	\$ 221,531	\$ 93,201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 314,732
Net change in fund balance	\$ 771,778	\$ (709,092)	\$ 703,595	\$ (192,866)	\$ (8,382,351)	\$ 7,293,891	\$ -	\$ (515,045)
Fund balances at beginning of year	\$ 11,545,222	\$ 60,078,225	\$ (2,350,934)	\$ (1,735,553)	\$ (11,351,772)	\$ 413,244	\$ -	\$ 56,598,432
Fund balances at end of year	\$ 12,317,000	\$ 59,369,133	\$ (1,647,339)	\$ (1,928,419)	\$ (19,734,123)	\$ 7,707,135	\$ -	\$ 56,083,387

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budget Adoption and Modification

The County follows the statutory requirements established in F.S. 129 and 200 regarding budgeting and taxation. Chapter 129 of the Florida Statutes, titled “County Annual Budget” requires the County to establish “an annual budget for such funds as may be required by law or by sound financial practice and generally accepted accounting principles.” Chapter 200 of the Florida Statutes, titled “Determination of Millage” defines the process for how the County generates monies through taxation of real, personal and tangible property. Additionally, Florida Department of Revenue has established “Truth In Millage” (TRIM) procedures, guidelines and forms for the County to use to ensure adherence to the laws and statutory requirements related to taxation. It is the policy of the County to follow all of these laws, statutes and approved procedures in preparing its annual budget.

The County uses the following procedures in establishing the budgetary data reflected in the Required Supplementary Information section of the financial statements. The following is a summary of the many detailed and specific procedures and requirements used to adopt and modify the annual budget.

1. Original Budget

- In March of every year, the County’s budget office releases a “budget package” to each department to initiate the budget process. The County Administrator and budgeting staff meet with each department head numerous times to evaluate the operational and capital needs of each department and to review the revenue projections of the ensuing year.
- Constitutional Officers are included in this process and are required per Florida Statute to submit their proposed budgets to the County by June 1. The BOCC passed resolution 2009-07 requiring these budgets to be submitted one month early (May 1) in order to give staff more time to prepare for budget workshops.
- Preliminary budget workshops are held to 1) allow BOCC direction on particular projects or services to be offered, 2) receive BOCC guidance on particular issues or challenges, 3) offer the public an opportunity to provide input into the budget process.
- A tentative budget is compiled by budget staff and presented to the BOCC by July 15.
- The BOCC conducts several budget workshops in July and August to offer the public additional opportunity to review, discuss and offer comment on the tentative budget.
- Prior to September 30, a legally required public budget hearing is held to set the tentative millage rate and tentative budget and to offer additional public input.
- Prior to September 30, a second legally required public budget hearing is held to adopt a final millage rate and final budget and to offer additional public input.
- The original budget and millage rate is adopted by resolution of the BOCC.

2. Amended and Final Budget

The County has three methods of budget modification. The originally adopted budget can be modified by resolution of the BOCC, by adopting a budget amendment, or by holding a supplemental budget hearing.

Budget Resolution

The County increases its originally adopted budget as a result of receiving any unanticipated revenues. Typically such an increase is the result of receiving new grant revenue, the adoption of new fees or charges, or the transfer of funds from one fund to another. In general, a budget resolution is required anytime a particular fund's budget will increase. Various budget resolutions were adopted during the current fiscal year.

Budget Amendment

The County changes its originally adopted budget as a result routine operational activity. A budget amendment may be required due to a shortfall in revenues or an unexpected increase in the expenditures of a particular fund. A budget amendment transfers originally budgeted dollars from one budget line to another thus no change in the overall fund budget occurs. Some budget amendments require BOCC approval depending on the dollar amounts of the amendment and line item accounts involved. Various budget amendments were approved during the current fiscal year.

Supplemental Budget Hearing

A supplemental budget hearing is required for the Board to increase the budget of any fund when the revenue was or should have been anticipated. This requirement of law eliminates the possibility of the BOCC artificially adopting a lower budget during the original budget process and later increasing the same budget without public input or comment. No supplemental budget hearings were held during the current fiscal year.

B. Budgetary Accounting

Governmental fund budgets are initially adopted on the modified accrual basis of accounting. All increases and amendments to the legally adopted budget are presented on this same basis of accounting. Therefore, the actual and budgetary data in the Required Supplementary Information section are presented on a comparable basis. The Enterprise fund budgets are adopted on the accrual basis.

Formal budgetary integration is employed as a management control device in all governmental funds and budgeted appropriations lapse at the end of the fiscal year.

C. Budget By Fund

Wakulla County Resolution 2015-60 established the originally adopted County-wide budget for fiscal year 2015-16 in the amount of \$52,203,137. The Board of County Commissioners approved 4 budget amendments and 4 budget resolutions subsequent to the originally adopted budget resulting in an increase of \$1,088,952 and a final total budget of \$53,292,089. This budget does include appropriations for the constitutional officer's General Funds but, does not include any special revenue funds for the constitutional officers. The budgets for those special revenue funds totaled \$1,687,718 and are included at the bottom of the County budget. The adopted and final budget by fund for the Board of County Commissioners is below:

Note 3 - 2015-16 Wakulla County Budgetary Information

Fund	Resolution 2015-60 2015-2016 Original Budget	2015-2016 Final Budget	Budget Amendments Increase (Decrease)
Governmental funds			
General Fund	\$ 12,288,334	\$ 12,198,334	\$ (90,000)
Sheriff's Office	10,358,324	10,358,324	-
SHIP Grant	350,000	1,100,000	750,000
Capital Projects	735,000	779,000	44,000
One Cent Sales Tax	4,069,994	4,069,994	-
Airport Improvement	-	181,818	181,818
Boating Improvement	123,700	123,700	-
Court Fees	440,767	440,767	-
Crime Prevention	88,000	88,000	-
E911 Surcharge	328,052	328,052	-
EMS Grant	6,453	163,277	156,824
FEMA	-	90,000	90,000
Industrial Development Authority	-	11,310	11,310
Housing Grant	11,122	11,122	-
JAG Grant	33,000	33,000	-
MSBU Fire	1,456,630	1,456,630	-
Mosquito Control	63,080	63,080	-
Recreation Fee Fund	88,500	88,500	-
Road & Bridge Operating	2,868,586	2,868,586	-
Tourist Development	223,449	228,449	5,000
Impact Fees	285,893	285,893	-
Road Paving Grant	2,325,165	2,325,165	-
Total Governmental Funds	\$ 36,144,049	\$ 37,293,001	\$ 1,148,952
Enterprise Funds			
Sewer	\$ 13,606,300	\$ 13,546,300	\$ (60,000)
Solid Waste	2,452,788	2,452,788	-
Total Enterprise Funds	\$ 16,059,088	\$ 15,999,088	\$ (60,000)
Total County-wide Budget as approved by Board of County Commissioners			
	\$ 52,203,137	\$ 53,292,089	\$ 1,088,952
Constitutional Officers Special Revenue Funds			
Clerk of Court	\$ 784,084	\$ 784,117	\$ 33
Property Appraiser	40,000	40,000	-
Sheriff	858,601	858,601	-
Supervisor of Elections	5,000	5,000	-
Total Constitutional Officers Special Revenue Funds	\$ 1,687,685	\$ 1,687,718	\$ 33
Total County-wide Budget	\$ 53,890,822	\$ 54,979,807	\$ 1,088,985

NOTE 4. CASH AND CASH EQUIVALENTS

The County maintains a cash pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions. The Board of County Commissioners had ten (10) separate bank accounts open at year end for various operating, investment, fiduciary and restrictive purposes.

A. Deposits

At the fiscal year end, the carrying amount of the County’s bank deposits was \$11,765,525. 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 Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member institution fails. The Public Depositor Annual Report for Wakulla County as of September 30, 2016 was provided to the Chief Financial Officer of the State of Florida, Department of Financial Services, Division of Treasury, Bureau of Collateral Management as required by Chapter 280, *Florida Statutes*.

The total County-wide bank cash on deposit, segregated by type, is shown below:

Note 4 - Cash, Cash Equivalents & Investments Schedule

Cash, Cash Equivalents & Investments	Board of County Commissioners	Clerk of Court	Property Appraiser	Sheriff	Supervisor of Elections	Tax Collector	Total
Operating Cash	1,617,470	15,192	45,305	525,006	141,763	1,172	2,345,908
Investment Cash	5,876,178	-	-	-	-	-	5,876,178
Restricted Cash	1,584,895	96,658	19,626	683,881	16,352	-	2,401,412
Fiduciary Cash	70,476	412,716	-	276,221	-	382,614	1,142,027
	<u>\$ 9,149,019</u>	<u>\$ 524,566</u>	<u>\$ 64,931</u>	<u>\$ 1,485,108</u>	<u>\$ 158,115</u>	<u>\$ 383,786</u>	<u>\$ 11,765,525</u>

B. Investments

The County follows and uses Section 218.415, Florida Statutes, as its Investment Policy. The County focuses on three elements of investment and these elements are listed in order of importance: safety, liquidity and return. There are various risks involved in any investment activity. Those risks include custodial credit risk, interest rate risk, credit risk, concentration risk, and foreign currency risk. The County limits its exposure to such risks by following the sound investment policies established by Section 218.415 of the Florida Statutes.

Florida Statutes and various bond covenants authorize investment in following types of instruments: Certificates of deposit, Money market accounts, Savings accounts, Repurchase agreements, The Local Government Surplus Trust Fund, Florida Local Government Investment Trust Fund, Obligations by the Florida State Board of Administration, 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 in the following schedule to give an indication of the level of custodial credit risk assumed at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its agent in the County's name. Investments in the Local Government Surplus Funds Trust Fund and money market accounts are not categorized since the investments are not evidenced by securities that exist in physical or book entry form.

The County's investments at September 30, 2016 consisted solely of amounts placed locally with various qualified banking institutions in money-market or on-demand accounts totaling \$5,876,178. The local investments in qualified banking institutions operate under the guidelines established by Section 218.415, Florida Statutes. The County had no investments in the Local Government Surplus Funds Trust Fund (a.k.a. Florida Prime) or the Fund B Surplus Trust Fund on September 30, 2016, and did not participate in the Local Government Surplus Trust Fund and the Fund B Surplus Trust Fund during the fiscal year.

1. Custodial Credit Risk

Custodial credit risk is defined as the exposure to loss of a government's investments a) if the depository financial institution that has custody of the investment were to fail or b) from destruction, theft or loss of a physical investment being held by the depository financial institution.

- 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.

2. Interest Rate Risk

Interest rate risk is defined as the exposure to loss incurred as a result of a change in interest rates if the government were to sell a debt security during a time of rising interest rates. Thus, the key factor affecting the magnitude of interest rate risk is the length of time the debt will remain outstanding at lower-than-market interest rates.

- Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient

liquidity to pay obligations as they come due.

- The County's interest rate risk at September 30, 2016 was zero (\$0).

3. Credit Risk

Credit risk is defined as the exposure to loss for holders of debt securities if the debtor will not be able to make scheduled payments. Bond ratings are the recognized measure of credit risk.

- Section 218.415.(17), Florida Statutes, limits investments to a) the State Board of Administration Local Government Surplus Funds Trust Fund Investment Pool or any other intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act as provided in Section 163.01, Florida Statutes, b) Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency, c) interest bearing time deposits in qualified public depositories as defined in Section 280.02, Florida Statutes, and d) direct obligations to the United States Treasury. The County's investment policy limits investments to these types of securities.
- As of September 30, 2016, the County's investments in money market accounts are in qualified public depositories.

4. Concentration Risk

Concentration risk is defined as the exposure to loss due to the failure to diversify investments in instruments which are not explicitly guaranteed by the U.S. Government or in instruments which are not inherently already diversified such a mutual fund or investment pool.

- The County's investments are in held in instruments which provide little to no exposure to concentration risk as they were held in qualified public depositories.

5. Foreign Currency Risk

Foreign currency risk is defined as the exposure to loss of investments held in the denomination of one or more foreign currencies due to changes in the currency exchange rates.

- The County held no investments in foreign currency denominations during the current fiscal year.

The Clerk of Court issues an annual investment report for the County and it may be found at www.wakullaclerk.com/BOCCFP.asp or by clicking on this link:

- <http://www.wakullaclerk.com/docs/Annual%20Investment%20Report%209-30-2016.pdf>

C. Legal and Contractual Obligations

As of September 30, 2016, there were no legal or contractual obligations regarding deposits and investments except as described in Note 17.

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 2015-2016 fiscal year were levied in October 2015 based on the millage rate adopted in the preceding month of

September. 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 the fiscal year end.

Wakulla County Resolution 2015-59 established the 2015-2016 millage rate of 8.5000 mills which was .89% more than the roll back rate of 8.4253 mills. The gross taxable value, as certified by the Property Appraiser for the fiscal year was \$1,046,736,029.

NOTE 6. CAPITAL ASSETS

Capital assets, which include property, plant, buildings, equipment and system infrastructure assets (roads, bridges, right-of-ways, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to June 30, 1980, assets are recorded at historical cost or estimated historical cost. Roads and bridges constructed prior to June 30, 1980 are generally not reported. Donated capital assets are recorded at estimated fair market value at the day of donation.

The capital asset activity for the fiscal year ended September 30, 2016 is found on the following page. 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>
Machinery and equipment	5 – 10
Buildings and improvements	10 – 40
System infrastructure	30 – 50

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

Note 6 - Capital Assets - Depreciation Schedule	
	FY 2015 - 2016 Depreciation Expense
Governmental activities:	
General Government	\$ 237,999
Public Safety	984,530
Physical Environment	11,239
Transportation	1,543,576
Economic Environment	14,947
Human Services	147,267
Culture & Recreation	268,245
Court-related	-
Total governmental activities depreciation	\$ 3,207,803
Business-type activities	
Physical Environment	\$ 665,473
Total business-type activities depreciation	\$ 665,473
Total government-wide depreciation	\$ 3,873,276

Note 6 - Capital Asset Activity Schedule

**Wakulla County
Capital Asset Activity
For the Fiscal Year Ended September 30, 2016**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reclassifications / Deletions</u>	<u>Ending Balance</u>
Governmental Activities:				
Land	\$ 5,750,346	\$ -	\$ -	\$ 5,750,346
Construction in process	75,400	180,327	(75,400)	180,327
Buildings and improvements	25,624,517	696,007	75,400	26,395,924
Furniture and equipment - County	8,452,418	1,248,504	(80,789)	9,620,133
Furniture and equipment - Sheriff	5,692,355	280,672	(156,267)	5,816,760
Infrastructure	52,214,531	-	-	52,214,531
Total capital assets	<u>97,809,567</u>	<u>2,405,510</u>	<u>(237,056)</u>	<u>99,978,021</u>
Less accumulated depreciation				
Buildings and improvements	(12,267,681)	(696,851)	-	(12,964,532)
Furniture and equipment - County	(6,905,294)	(719,572)	173,990	(7,450,876)
Furniture and equipment - Sheriff	(4,584,098)	(486,017)	156,267	(4,913,848)
Infrastructure	<u>(13,974,269)</u>	<u>(1,305,363)</u>	<u>-</u>	<u>(15,279,632)</u>
Total accumulated depreciation	<u>(37,731,342)</u>	<u>(3,207,803)</u>	<u>330,257</u>	<u>(40,608,888)</u>
Governmental activities capital assets, net of depreciation	<u>\$ 60,078,225</u>	<u>\$ (802,293)</u>	<u>\$ 93,201</u>	<u>\$ 59,369,133</u>
Business-type activities:				
Sewer - Land	\$ 356,780	\$ 10,350	\$ -	\$ 367,130
Landfill - Land	12,715	-	-	12,715
Construction in process	520,908	1,054,392	(14,841)	1,560,459
Sewer system and improvements	23,253,362	317,028	-	23,570,390
Sewer Equipment	587,858	41,050	(26,656)	602,252
Water system	1,073,859	-	-	1,073,859
Landfill system and improvements	81,087	-	-	81,087
Landfill Equipment	77,824	-	-	77,824
Total capital assets	<u>25,964,393</u>	<u>1,422,820</u>	<u>(41,497)</u>	<u>27,345,716</u>
Less accumulated depreciation				
Sewer system and improvements	(8,063,046)	(609,351)	-	(8,672,397)
Sewer Equipment	(517,740)	(26,508)	26,656	(517,592)
Water system	(430,475)	(27,535)	-	(458,010)
Landfill system and improvements	(51,742)	(2,079)	-	(53,821)
Landfill Equipment	<u>(77,824)</u>	<u>-</u>	<u>-</u>	<u>(77,824)</u>
Total accumulated depreciation	<u>(9,140,827)</u>	<u>(665,473)</u>	<u>26,656</u>	<u>(9,779,644)</u>
Business-type activities capital assets, net of depreciation	<u>\$ 16,823,566</u>	<u>\$ 757,347</u>	<u>\$ (14,841)</u>	<u>\$ 17,566,072</u>
Total Government-wide capital assets, net of depreciation	<u>\$ 76,901,791</u>	<u>\$ (44,946)</u>	<u>\$ 78,360</u>	<u>\$ 76,935,205</u>

NOTE 7. INTER-FUND TRANSFERS

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 other activities which must be accounted for in another fund. Inter-fund transfers for the year ended September 30, 2016 consisted of the following:

Note 7 - Interfund Transfers

	Transfers In								Total
	Governmental Funds					Enterprise Funds			
	General Fund	Sheriff's Office Fund	SHIP Fund	Capital Project Fund	One Cent Sales Tax	Non-major Governmental Funds	Sewer Fund	Solid Waste Fund	
Transfers Out:	\$ (3,848,020)	\$ (10,358,324)	\$ -	\$ (5,350)	\$ (227,439)	\$ (418,347)	\$ (2,026,180)	\$ (96,735)	\$ (16,980,395)
General Fund	13,349,710	-	-	-	-	-	-	-	13,349,710
Fine & Forfeiture Fund	-	903,198	-	-	-	-	-	-	903,198
Capital Project Fund	-	-	-	41,725	-	-	-	-	41,725
Non-Major Governmental Funds	-	-	-	-	-	614,339	-	-	614,339
Sewer Fund	-	-	-	-	-	-	1,960,680	-	1,960,680
Solid Waste Fund	-	-	-	-	-	-	-	110,743	110,743
Net transfers in (out):	<u>\$ 9,501,690</u>	<u>\$ (9,455,126)</u>	<u>\$ -</u>	<u>\$ 36,375</u>	<u>\$ (227,439)</u>	<u>\$ 195,992</u>	<u>\$ (65,500)</u>	<u>\$ 14,008</u>	<u>\$ -</u>

NOTE 8. INTER-FUND RECEIVABLES AND PAYABLES

Transfer activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to other funds” and “due from other funds”. The inter-fund balances as of September 30, 2016 were:

Note 8 - Interfund Receivables & Payables

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental activities:		
General Fund	\$ 391,108	\$ 366,715
Sheriff's Office Fund	376,559	-
Capital Projects Fund	10,349	171,734
One Cent Sales Tax Fund	287,619	50,273
Airport Grant	-	29,079
Boating Improvement Fund	1,598	-
BP Restore Act	-	7,229
Court Fees Fund	16,509	9,872
Crime Prevention Fund	5,921	30,762
E911 Fund	36,154	-
EMS Grant	39,782	33,782
FEMA Grant	-	19,318
M.S.B.U. Fire Department Fund	7,817	-
Road Department	13,849	-
Tourist Development Fund	3,876	1,625
Road Paving Grant	-	26,477
Clerk Records Modernization Trust Fund	6,639	-
Clerk State Court Fund	38,281	-
Property Appraiser Special Assessment Fund	-	19,626
Sheriff Bulletproof Vests	-	3,183
Sheriff Crime Prevention	9,872	9,382
Sheriff Domestic Violence	6,840	6,840
Sheriff EMPA/EMPG Grant	-	40,126
Sheriff FEMA	-	19,752
Sheriff Firing Range	-	113
Sheriff Inmate Welfare	10,357	10,082
Sheriff JAG/ Byrne	594	2
Sheriff Litter Control Parks & Recreation	12,043	10,542
Sheriff Litter Control Transfield	-	3,597
Sheriff Moving Violations	9,755	9,755
Sheriff School Resource Officer	-	30,635
Sheriff Teen Driving Challenge	-	1,135
Sheriff US Forestry	-	721
Sheriff US Marshals	-	846
Sheriff VOCA	-	16,019
Sheriff Wakulla County Coalition for Youth	-	865
Sheriff 1 Cent Sales Tax	574	574
Sheriff \$2 Training Fund	14,167	14,167
Total governmental activities:	\$ 1,300,263	\$ 944,828
Business-type activities:		
Sewer	\$ -	\$ -
Solid Waste	-	-
Total business-type activities:	\$ -	\$ -
Agency activities:		
Clerk Collection Trust	\$ -	\$ 79,489
Sheriff Donated Funds	257	-
Sheriff Individual Depository	-	210,668
Sheriff Inmate Trust	-	10,357
Sheriff Ounce of Prevention	-	21,665
Tax Collector Boating & Occupational Licenses	-	17,641
Tax Collector Delinquent Tax	-	58
Tax Collector Tag	-	15,240
Tax Collector Tax	-	483
Tax Collector Tax Escrow	-	91
Total agency activities:	\$ 257	\$ 355,692
Total government-wide activities:	\$ 1,300,520	\$ 1,300,520

NOTE 9. RECEIVABLE AND PAYABLE BALANCES

A. Receivables

Receivables due to the County at September 30, 2016 consisted of:

Note 9 - Receivables Schedule

	Accounts Receivable	Due from Other Governments	Total Receivables
Governmental activities:			
General Fund	\$ 921,964	\$ 301,782	\$ 1,223,746
Sheriff's Office Fund	-	192,696	192,696
SHIP Grant	-	33,739	33,739
Capital Projects Fund	239,845	102,038	341,883
One Cent Sales Tax Fund	-	269,285	269,285
Airport Grant	-	73,044	73,044
BP Restore Act	-	8,132	8,132
Court Fees Fund	-	288	288
E911 Fund	-	28,892	28,892
FEMA Grant	-	74,564	74,564
M.S.B.U. Fire Department Fund	29	-	29
Road Department	188,863	83,812	272,675
Tourist Development Fund	-	10,063	10,063
Road Paving Grant	-	26,940	26,940
Clerk Child Support Grant	-	8,110	8,110
Sheriff Bulletproof Vests	-	3,183	3,183
Sheriff EMPA	-	41,361	41,361
Sheriff FEMA	-	42,900	42,900
Sheriff Litter Control Transfield	-	4,988	4,988
Sheriff School Resource Officer	-	39,491	39,491
Sheriff Teen Driving Challenge	-	1,135	1,135
Sheriff US Forestry	-	960	960
Sheriff US Marshals	-	1,849	1,849
Sheriff VOCA	-	19,156	19,156
Sheriff Wakulla County Coalition for Youth	1,277	-	1,277
Total governmental activities:	\$ 1,351,978	\$ 1,368,408	\$ 2,720,386
Business-type activities:			
Sewer Fund	\$ 236,914	\$ 86,120	\$ 323,034
Solid Waste Fund	4,467	45,355	49,822
Total business-type activities:	\$ 241,381	\$ 131,475	\$ 372,856
Total government-wide activities:	\$ 1,593,359	\$ 1,499,883	\$ 3,093,242

B. Payables

Payables owed by the County at September 30, 2016 consisted of:

Note 9 - Payables Schedule

	Vendors	Payroll & Other Liabilities	Due to Other Governmental Units	Total Payables
Governmental activities:				
General Fund	\$ 546,345	\$ 366,368	\$ 2,351	\$ 915,064
SHIP Grant	1,920	-	-	1,920
Capital Projects Fund	75,236	-	-	75,236
One Cent Sales Tax Fund	207,097	-	3,298	210,395
Airport Grant	43,965	-	-	43,965
Boating Improvement Fund	12,403	-	-	12,403
BP Restore Act	-	903	-	903
Court Fees Fund	2,433	2,325	-	4,758
EMS Grant	6,000	-	-	6,000
FEMA Grant	55,246	-	-	55,246
M.S.B.U. Fire Department Fund	17,746	21,227	-	38,973
Recreation Fee Fund	10,981	-	-	10,981
Road Department	12,426	-	-	12,426
Tourist Development Fund	6,964	-	-	6,964
Impact Fee Fund	3,010	-	-	3,010
Road Paving Grant	463	-	-	463
Clerk Child Support Grant	350	-	-	350
Clerk Records Modernization Trust Fund	19	390	-	409
Clerk State Court Fund	241	10,845	11,613	22,699
Sheriff Crime Prevention	-	490	-	490
Sheriff EMPA	1,837	-	-	1,837
Sheriff FEMA	23,148	-	-	23,148
Sheriff JAG/ Byrne	592	-	-	592
Sheriff Litter Control Parks & Recreation	661	840	-	1,501
Sheriff Litter Control Transfield	336	1,055	-	1,391
Sheriff School Resource Officer	4,474	4,382	-	8,856
Sheriff US Forestry	239	-	-	239
Sheriff US Marshals	-	1,003	-	1,003
Sheriff VOCA	1,168	1,969	-	3,137
Sheriff Wakulla County Coalition for Youth	412	-	-	412
Total governmental activities:	\$ 1,035,712	\$ 411,797	\$ 17,262	\$ 1,464,771
Business-type activities:				
Sewer Fund	\$ 680,766	\$ -	\$ -	\$ 680,766
Solid Waste Fund	50,484	-	-	50,484
Total business-type activities:	\$ 731,250	\$ -	\$ -	\$ 731,250
Total government-wide activities:	\$ 1,766,962	\$ 411,797	\$ 17,262	\$ 2,196,021

NOTE 10. LONG-TERM LIABILITIES

A. Governmental Activities

1. Notes Payable

The County has entered into the following note and loan agreements for various capital projects:

- a. The County has a note with Bank of America which was utilized for road paving improvements. This loan is collateralized by and paid from the proceeds of the One Cent Sales Tax. The loan is payable in monthly principal installments of \$28,169 plus interest at 3.82% through 2017. The scheduled payment of principal and interest on this note payable is as follows:

Year Ending September 30,	Principal	Interest	Total
2017	84,508	544	85,052
Total	\$ 84,508	\$ 544	\$ 85,052

- b. The County has a note with Centennial Bank which was utilized for road paving improvements located in private housing developments. The loan is collateralized by and paid from the special assessments charged directly to the property owners within the developments. The loan is payable in annual installments of \$34,694 including interest at 6.5% through 2017. The scheduled payment of principal and interest on this note payable is as follows:

Year Ending September 30,	Principal	Interest	Total
2017	28,443	1,836	30,279
Total	\$ 28,443	\$ 1,836	\$ 30,279

- c. The County has note with Hancock Bank which was utilized to partially fund Courthouse renovations. This loan is collateralized by and paid from the proceeds of the One Cent Sales Tax. The loan is payable in annual installments of \$242,994 including interest at 3.39% through 2018. The scheduled payment of principal and interest on this note payable are as follows:

Year Ending September 30,	Principal	Interest	Total
2017	227,320	15,674	242,994
2018	235,027	7,967	242,994
Total	\$ 462,347	\$ 23,641	\$ 485,988

- d. The County has another note with Hancock Bank which was also utilized to fund the Courthouse renovations. This loan is collateralized by and paid from the proceeds from the County's \$30 Court Surcharge Fee. The loan is payable in annual installments of \$121,274 including interest at 3.67% through 2021. The scheduled payment of principal and interest on this note payable are as follows:

Year Ending September 30,	Principal	Interest	Total
2017	101,275	19,999	121,274
2018	104,992	16,282	121,274
2019	108,845	12,429	121,274
2020	112,839	8,435	121,274
2021	116,981	4,293	121,274
Total	\$ 544,932	\$ 61,438	\$ 606,370

2. Capital Leases

The County's governmental activities had one capital lease agreement as of September, 30, 2016.

- a. The County has a capital lease with Caterpillar Financial Services Corporation for three

(3) motor graders used to grade the County's dirt road system. The lease, in the amount of \$574,713 is payable in three (3) annual payments including interest at 2.45%. There is a trade-in or "buy-back" clause in the capital lease that allows the County to trade in the motor graders prior to the final balloon payment date. The scheduled payment of principal and interest on this lease is as follows:

Year Ending September 30,	Principal	Interest	Total
2017	527,086	12,914	540,000
Total	\$ 527,086	\$ 12,914	\$ 540,000

B. Business-type Activities

1. Notes Payable

The County has entered into the following note and loan agreements for various capital projects:

- a. The County has a note with Bank of America which was utilized for sewer system improvements. This loan is collateralized by and paid from the sewer system revenues. The loan is payable in monthly variable principal installments including interest at 4.08% through 2018. The scheduled payment of principal and interest on this note payable are as follows:

Year Ending September 30,	Principal	Interest	Total
2017	435,526	8,150	443,676
2018	74,658	5,132	79,790
Total	\$ 510,184	\$ 13,282	\$ 523,466

- b. The County entered into a loan agreement with Ameris Bank for \$925,000 for capping (closing) the landfill as required by the Florida Department of Environmental Protection. The loan is collateralized by and paid from the solid waste assessment revenues. The loan is payable in annual principal installments of \$61,667 plus interest at 3.36% for 15 years. The scheduled payments of principal and interest on this note payable is as follows:

Year Ending September 30,	Principal	Interest	Total
2017	61,667	28,363	90,030
2018	61,667	26,263	87,930
2019	61,667	24,162	85,829
2020	61,667	22,119	83,786
2021	61,667	19,960	81,627
2022	61,667	17,859	79,526
2023	61,667	15,759	77,426
2024	61,667	13,692	75,359
2025	61,667	11,557	73,224
2026	61,667	9,456	71,123
2027	61,667	7,356	69,023
2028	61,667	5,266	66,933
2029	61,667	3,154	64,821
2030	61,518	1,053	62,571
Total	\$ 863,189	\$ 206,019	\$ 1,069,208

- c. The County entered into a loan agreement with the State of Florida Department of Environmental Protection (FDEP) for State Revolving Fund financial assistance for a wastewater treatment transfer system at Oyster Bay. The loan is collateralized by and paid from the sewer revenues. The loan is payable in semi-annual installments of \$34,849 including interest at 1.315% for 20 years. The loan balance of \$926,098 was paid in full during the current year through a USDA refinancing loan as discussed under “d” below.
- d. The County entered into two loan agreements with the United States Department of Agriculture (USDA) for \$6,495,000 and \$321,000 for a total of \$6,816,000 for the upgrading and expansion of the County’s wastewater treatment plant. The County was under a consent order by the Florida Department of Environmental Protection to increase the capacity of the plant and meet certain environmental standards. In October 2014 the Board approved Resolution 14-45, “Sewer Revenue Bond, Series 2015” in the amount of \$6,495,000 and in September 2016 the Board approved Resolution 16-35, “Sewer Revenue Bond Anticipation Note, Series 2016” in the amount of \$6,816,000 and updated the title of the sewer revenue bonds to “Sewer Revenue Bond, Series 2018”.

During construction of the project, the County is borrowing the funds, on a “draw-down” basis, through “interim financing” with Ameris Bank. The interim financing is collateralized by a USDA “take out” letter and will be paid from the proceeds from the sale of bonds. The construction loan is payable in semi-annual interest only payments on February 28 and August 31 based on the amounts borrowed at 1.62%. The interim financing period is for eighteen (18) months, from September 2016 to February 2018.

Upon completion of the project, USDA will pay off Ameris Bank with the proceeds from the sale of the Series 2018 bonds in the amount of the \$6,816,000 or the amount borrowed, if less. Total construction is currently estimated at \$10,812,900 with the USDA providing \$3,996,900 in grant funds. The sewer bonds will be collateralized and paid from the wastewater fee revenues. The sewer bonds will be payable in semi-annual installments over 40 years with the \$6,495,000 loan borrowed at 3.25% and the \$321,000 borrowed at 2.25%.

As of September 30, 2016, the amount borrowed was \$904,894, of which, \$885,397 was used to pay off the State of Florida Department of Environmental Protection State Revolving Loan described in “c” above and the remaining funds in the amount of \$19,497 used to pay attorney’s fees and closing costs.

2. Capital Leases

The County’s business activities had no capital lease agreements as of September, 30, 2016.

C. Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2016 was as follows:

Note 10 - Changes in Long-term Liabilities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Adjustments</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Interest Paid in Current Year</u>
Governmental Activities							
Capital leases	\$ 544,233	\$ -	\$ (17,147)	\$ -	\$ 527,086	\$ 527,086	\$ -
Notes payable	1,806,701	-	(686,448)	-	1,120,253	441,546	60,918
Compensated absences	893,553	479,851	(487,565)	9,580	895,419	107,912	-
Other Post-Employment Benefits (OPEB) payable	842,000	273,000	(82,000)		1,033,000	-	-
Florida Retirement System (FRS) Net Pension Liability	11,351,772	8,382,351			19,734,123	122,081	-
Total governmental activities	\$ 15,438,259	\$ 9,135,202	\$ (1,273,160)	\$ 9,580	\$ 23,309,881	\$ 1,198,625	\$ 60,918
Business-type Activities							
Capital leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes payable	2,714,295	904,894	(1,340,920)	(2)	2,278,267	497,193	74,302
Estimated liability for Landfill closure and post-closure cost	1,883,702	-	(54,522)	(24,887)	1,804,293	96,362	-
Total business-type activities	\$ 4,597,997	\$ 904,894	\$ (1,395,442)	\$ (24,889)	\$ 4,082,560	\$ 593,555	\$ 74,302
Total government-wide liabilities	\$ 20,036,256	\$ 10,040,096	\$ (2,668,602)	\$ (15,309)	\$ 27,392,441	\$ 1,792,180	\$ 135,220

NOTE 11. OPERATING LEASES

At fiscal year end, the County had twenty-three (23) non-cancellable long-term lease agreements for various office equipment such as postage meters and copy machines and one (1) non-cancellable long term lease for use of a cell tower. A schedule of minimum rental payments for succeeding fiscal years is as follows:

<u>Year Ending September 30,</u>	<u>Annual Obligation</u>
2017	83,318
2018	82,051
2019	40,662
2020	13,968
2021	1,174
Total	\$ 221,173

NOTE 12. COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

A. Florida Retirement System

The Governmental Accounting Standards Board (GASB) approved Statement No. 67 – Financial Reporting for Pension Plans and Statement No. 68 – Accounting and Financial Reporting for Pensions (an amendment of GASB Statement Nos. 25 and 27). These statements established standards for measuring and recognizing pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense/expenditures. The most notable change is the distinct separation of the funding of pensions from the financial reporting of pensions. GASB 68 requires a liability for pension obligations, known as “net pension liability”, to be recognized on the balance sheets of FRS participating employers. Changes to the net pension liability will either be recognized as pension expense or as deferred outflows/inflows of resources depending on the nature of the change. The State of Florida hired an actuary to determine these amounts on behalf of the FRS and its’ participating employers.

1. General Information

The County’s employees participate in the Florida Retirement System (FRS), a cost-sharing multiple-employer public employee retirement system, administered by the Florida Department of Management Services, Division of Retirement. As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost-sharing plans, 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 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. 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 State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Fl. 32315-9000 or from the website:

www.dms.myflorida.com/workforce_operations/retirement/publications.

2. FRS 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 received 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 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 Officer's 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 Officer's class members, and 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 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, government 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, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016 were as follows:

FRS Contribution Rates

Class Description	October 1, 2015 - June 30, 2016			July 1, 2016 - September 30, 2016			% Change
	Employer Contribution	Employee Contribution	Total Contribution	Employer Contribution	Employee Contribution	Total Contribution	
	(A)			(A)			
<u>Regular Class</u>	7.26%	3.00%	10.26%	7.52%	3.00%	10.52%	0.26%
<u>Senior Management Service Class</u>	21.43%	3.00%	24.43%	21.77%	3.00%	24.77%	0.34%
<u>Special Risk Class</u>	22.04%	3.00%	25.04%	22.57%	3.00%	25.57%	0.53%
<u>Special Risk Administrative Support Class</u>	32.95%	3.00%	35.95%	28.06%	3.00%	31.06%	-4.89%
<u>Elected Officers Class</u>	42.27%	3.00%	45.27%	42.47%	3.00%	45.47%	0.20%
<u>Deferred Retirement Option Program (DROP)</u>	12.88%	N/A	12.88%	12.99%	N/A	12.99%	0.11%
<u>Reemployed Retiree</u>	(B)			(B)			

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .04% for October 1 - June 30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

The County's contributions, including employee contributions, to the Pension Plan totaled \$1,527,805 for the fiscal year ended September 30, 2016. The County had 218 employees in the Pension Plan as of September 30, 2016.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2016, the County reported a liability of \$15,819,014 for its proportionate share of the Pension Plan's net pension liability, an increase of \$8,018,272 over the previous fiscal year. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportionate share of the net pension liability was based on the County's 2015-16 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2016, the County's proportionate share was 0.062640% which was an increase of 0.002240% from its proportionate share as of June 30, 2015.

For the fiscal year ended September 30, 2016, the County recognized pension expense of \$1,404,232. 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	\$ 1,211,225	\$ 147,286
Change in assumptions	957,003	-
Net difference between projected and actual earnings on Pension Plan investments	4,529,695	440,672
Changes in proportion and differences between Copunty Pension Plan contributions and proportionate share of contributions	1,121,527	497,429
County Pension Plan contributions subsequent to the measurement date (June 30)	443,102	-
Total	<u>\$ 8,262,552</u>	<u>\$ 1,085,387</u>

The deferred outflows of resources related to the Pension Plan, totaling \$443,101 resulting from County contributions to the Plan subsequent to the measurement date (June 30), will be recognized as a reduction of the net pension liability in the fiscal year September 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense (income) as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount:</u>
2017	\$ 143,601
2018	143,601
2019	143,601
2020	110,013
2021	63,427
Thereafter	19,852
Total	<u>\$ 624,095</u>

Actuarial Methods and Assumptions

The total pension liability in the July 1, 2016 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
Investment rate of return:	7.60%, net of pension plan investment expense, including Inflation
Discount rate:	7.60%
Mortality rate:	Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables

The actuarial assumptions used in the July 1, 2016 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</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.00%	3.00%	3.00%	1.70%
Fixed Income	18.00%	4.70%	4.60%	4.60%
Global Equity	53.00%	8.10%	6.80%	17.20%
Real Estate (Property)	10.00%	6.40%	5.80%	12.00%
Private Equity	6.00%	11.50%	7.80%	30.00%
Strategic Investments	12.00%	6.10%	5.60%	11.10%
Total	<u>100.00%</u>			
Assumed Inflation			2.60%	1.90%

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

Discount Rate

The discount rate used to measure the total pension liability was 7.60%. 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 calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of County's Proportionate Share of the Net Pension 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 7.60%, 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 (6.60%) and one percentage point higher (8.60%) than the current rate:

	<u>1% Decrease (6.60%)</u>	<u>Current Discount Rate (7.60%)</u>	<u>1% Increase (8.60%)</u>
County's proportionate share of the net pension liability	\$ 29,123,876	\$ 15,819,014	\$ 4,744,474

A negative number in the above analysis represents the County's share of a net pension surplus or asset.

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. The latest available report may be obtained by writing to State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Fl. 32315-9000 or from the website:

www.dms.myflorida.com/workforce_operations/retirement/publications.

Payables to the Pension Plan

At September 30, 2016, there were no payables reported by the County for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2016.

3. FRS Health Insurance Subsidy (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 fiscal year ended September 30, 2016, 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, 2016, the HIS contribution for the period October 1, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016 was 1.66% and 1.66% respectively. The County contributed 100% of its statutorily required contributions for the current fiscal year. HIS Plan contributions 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 \$172,185 for the fiscal year ended September 30, 2016.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2016, the County reported a liability of \$3,915,109 for its proportionate share of the HIS Plan's net pension liability, an increase of \$364,079 over the previous fiscal year. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of July 1, 2016. The

County's proportionate share of the net pension liability was based on the County's 2015-16 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2016, the County's proportionate share was 0.033590% which was a decrease of 0.001210% from its proportionate share measured as of June 30, 2015.

For the fiscal year ended September 30, 2016, the County recognized pension expense in the amount of \$173,685. 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	\$ -	\$ 8,917
Change in assumptions	614,380	-
Net difference between projected and actual earnings on Pension Plan investments	1,979	-
Changes in proportion and differences between Copunty Pension Plan contributions and proportionate share of contributions	56,836	180,663
County Pension Plan contributions subsequent to the measurement date (June 30)	46,355	-
Total	<u>\$ 719,550</u>	<u>\$ 189,580</u>

The deferred outflows of resources related to the Pension Plan, totaling \$46,355 resulting from County contributions to the Plan subsequent to the measurement date (June 30), will be recognized as a reduction of the net pension liability in the fiscal year September 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense (income) as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount:</u>
2017	\$ (21,520)
2018	(21,520)
2019	(21,520)
2020	(21,520)
2021	(18,261)
Thereafter	(19,486)
Total	<u>\$ (123,827)</u>

Actuarial Assumptions

The total pension liability in the July 1, 2016 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:	2.85%
Discount rate:	2.85%
Mortality rate:	Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables

The actuarial assumptions used in the July 1, 2016 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 2.85%. 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 sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of County's Proportionate Share of the Net Pension 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 2.85%, 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 (1.85%) and one percentage point higher (3.85%) than the current rate:

	<u>1% Decrease</u> <u>(1.85%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(2.85%)</u>	<u>1% Increase</u> <u>(3.85%)</u>
County's proportionate share of the net pension liability	\$ 4,491,519	\$ 3,915,109	\$ 3,436,720

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. The latest available report may be obtained by writing to State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000 or from the website:

www.dms.myflorida.com/workforce_operations/retirement/publications.

Payables to the Pension Plan

At September 30, 2016, there were no payables reported by the County for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2016.

4. FRS Investment Plan

Plan Description

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (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.

Benefits Provided

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.

Contributions

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular, Senior Management Service, Special Risk, Special Risk Administrative Support and Elected Officer's) as the Pension Plan (see page 60). Contributions are directed to the individual member accounts and the individual members allocate contributions and account balances among various approved investment choices.

The costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of plan members.

Allocations to the investment member's accounts during the 2015-16 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

<u>Class</u>	<u>% of Gross Compensation</u>
<u>Regular Class</u>	6.30%
<u>Senior Management Service Class</u>	7.67%
<u>Special Risk Class</u>	14.00%
<u>Special Risk Administrative Support Class</u>	7.95%
<u>Elected Officers Class</u>	11.34%
<u>Deferred Retirement Option Program (DROP)</u>	N/A

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. Non-vested 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, 2016, 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 into 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 investment 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 contributions to the Investment Plan totaled \$283,973 for the fiscal year ended September 30, 2016. The County had 44 employees in the Investment Plan as of September 30, 2016.

5. State University System Optional Retirement Plan

Plan Description

The State University System Optional Retirement Plan (SUSORP) is a defined contribution program established under section 121.35, Florida Statutes, for eligible State University System faculty, administrators, and administrative and professional staff. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the Program. This program is designed to aid universities in recruiting employees who may not remain in the FRS long enough to vest.

The County has one (1) employee who has elected to participate in the SUSORP program. This employee is eligible to do so due to their employment through the University of Florida (UF), Institute of Food & Agricultural Sciences (IFAS) Extension Office in Wakulla County.

Benefits Provided

The SUSORP is a defined contribution plan qualified under section 403(b), Internal Revenue Code, which upon signing an investment contract provides full and immediate vesting of all contributions paid on behalf of the members to the participating provider companies. The SUSORP member directs the investment of contributions to provide retirement and death benefits. Employees in eligible positions are compulsory SUSORP members unless they elect FRS membership.

Contributions

The SUSORP Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular, Senior Management Service, Special Risk,

Special Risk Administrative Support and Elected Officer's) as the Pension Plan (see page 60). Contributions are directed to the individual member accounts and the individual members allocate contributions and account balances among various approved investment choices.

Employers were statutorily required to contribute 5.15% of the member's gross monthly compensation. In accordance with Chapter 60U-2, Florida Administrative Code, 0.01% of the employer contribution rate was used for administration of the SUSORP program and 5.14% was transferred to the provider companies designated by the member. SUSORP members are not eligible to receive the Health Insurance Subsidy (HIS) payments from the HIS Trust Fund. There is an HIS component included in the employer's contribution deposited to the members' accounts. Effective July 1, 2011, there is a mandatory employee contribution of 3%. A member may contribute by salary reduction an amount not to exceed the percentage contributed by the employer.

When applicable, the employer is also required to contribute the unfunded actuarial liability (UAL) contribution for the Regular Class on the salaries of SUSORP members which is transferred to the FRS Trust Fund to help amortize any UAL. The UAL contribution rate for the fiscal year 2015-2016 was 2.65%. The employer contribution rates by job class for the periods from October 1, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016 were as follows:

Class Description	October 1, 2015 - June 30, 2016			July 1, 2016 - September 30, 2016			% Change
	Employer Contribution	Employee Contribution	Total Contribution	Employer Contribution	Employee Contribution	Total Contribution	
<u>SUSORP Members</u>	7.81%	3.00%	10.81%	7.99%	3.00%	10.99%	0.18%

The County's contributions to the SUSORP Plan totaled \$2,229 for the fiscal year ended September 30, 2016.

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

A. Capital Health Plan

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 Nos. 43 and 45 which set forth the guidelines for reporting and disclosure of Other Post-Employment Benefits (OPEB), the County, with the assistance of the Florida League of Cities, had an actuary calculate future funding requirements using an appropriate actuarial cost method. The valuation is required to be performed every two years and the latest valuation was performed as of October 1, 2016 for the fiscal years ended September 30, 2016 and September 30, 2017 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.

1. 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.

2. Funding Policy

The Board of County Commissioners (the BOCC) is authorized to establish benefit levels and approve the actuarial assumptions used in the determination of contribution levels. The BOCC establishes the contribution requirements of plan members and the County. These contributions are neither mandated nor guaranteed. The retiree contributes the premium cost each month for their self, their spouse and any dependent children who may be on the Plan. The monthly premium is determined by the insurance carrier, Capital Health Plan (CHP) and 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 \$82,000 for the year ended September 30, 2015.

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, 2016
Actuarial cost method:	Projected unit credit
Amortization method:	Level dollar payment
Amortization period:	15-year open period
Assumed rate of return on investment:	4.00% per annum (including inflation at 2.75%)
Assumed healthcare cost trend rates:	2016-17 - 8.00% increase graded 5.50% increase for 2020-21
Ultimate healthcare rate per annum:	5.00% per annum

3. Actuarial Methods

The projection of future benefit payments for an ongoing plan involves estimates of the value of the 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 Plan 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 the 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.

4. Annual OPEB Cost and Net OPEB Liability

The County's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, 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 on-going 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 annual OPEB cost for the current fiscal year was \$273,000. The County's annual OPEB cost and the net OPEB obligation for the fiscal year ended September 30, 2016 as compared to previous years is as follows:

	As of September 30, 2013	As of September 30, 2014	As of September 30, 2015	As of September 30, 2016
Annual required contribution (ARC)	\$ 170,000	\$ 113,000	\$ 119,000	\$ 312,000
Interest on the net OPEB obligation	25,000	29,000	31,000	34,000
Adjustment to the ARC	(54,000)	(63,000)	(68,000)	(73,000)
Total Annual OPEB Cost	141,000	79,000	82,000	273,000
Annual OPEB Cost	141,000	79,000	82,000	273,000
Employer contributions	(35,000)	(24,000)	(26,000)	(80,000)
Interest on employer contributions	(1,000)	-	(1,000)	(2,000)
Increase in the Net OPEB Obligation	105,000	55,000	55,000	191,000
Net OPEB obligation - beginning of year	627,000	732,000	787,000	842,000
Net OPEB obligation - end of year	\$ 732,000	\$ 787,000	\$ 842,000	\$ 1,033,000

The County's percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the fiscal year ended September 30, 2016 as compared to previous years is as follows:

Fiscal Year Ending	Annual Required Contribution (ARC)	% Annual Required Contribution Contributed	Annual OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/2013	170,000	20.6%	141,000	25.5%	105,000
9/30/2014	113,000	30.4%	79,000	30.4%	55,000
9/30/2015	119,000	31.7%	82,000	32.9%	55,000
9/30/2016	312,000	25.6%	273,000	30.0%	191,000

The 2016 contribution represented 25.6% of the annual required contribution. Actuarial valuations are done on a bi-annual basis.

5. OPEB Funding Status

As of October 1, 2016, the most recent actuarial valuation date, the Plan was unfunded. The actuarial accrued liability for benefits was \$595,000 and the actuarial value of assets was zero (\$0), resulting in an unfunded actuarial accrued liability (UAAL) of \$595,000.

The following schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. As shown below, there have been four actuarial valuations performed covering a seven year period October 1, 2010 to October 1, 2016.

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Accrued Liability (AAL) EAN</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
	(a)	(b)	(b-a)	(a/b)	(c)	((b-1)/c)
10/1/2010	-	1,350,000	1,350,000	0.0%	N/A	N/A
4/1/2012	-	846,000	846,000	0.0%	N/A	N/A
7/1/2014	-	595,000	595,000	0.0%	N/A	N/A
10/1/2016	-	1,966,000	1,966,000	0.0%	N/A	N/A

NOTE 14. FUND BALANCES

A. Fund Balance Classifications

As of September 30, 2016, fund balances of the governmental funds are classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable 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, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- 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 BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts.

B. Fund Balance Policy

The County has adopted a fund balance policy to maintain targeted levels of fund balance for all governmental funds. For the General Fund, the County's policy is to maintain a minimum level of unrestricted fund balance (the sum of the assigned and unassigned components of fund balance). The target level is no less than three (3) months or 25% and no more than four (4) months or 33% of General Fund annual expenditures.

For special revenue funds there are typically no requirements for a specific reservation of fund balance but the County uses several special revenue funds as special operating funds for specific programs such as the Sheriff's Office Fund, the Road Operating Fund and the M.S.B.U. Fire Fund. For these special revenue operating funds, the County has established a minimum level of fund balance. Such funds should maintain no less than three (3) months or 25% and no more than four (4) months or 33% of the fund specific annual expenditures.

In addition to minimum fund balance levels for the General Fund and special revenue operating funds, the County also established a minimum level of fund balance for any and all funds (including enterprise funds) which are responsible for debt repayment obligations. Any fund used to repay debt obligations should maintain a minimum fund balance equal to one (1) year of debt service payments in addition to any other required levels of fund balance.

C. Replenishment of Fund Balance Deficits

Each year during the budget process fund balance levels are reviewed and compared to the targeted levels established in the fund balance policy. In the event fund balance levels fall below the targeted levels or, in the case of the stabilization fund, have not been met, a designated amount shall be set aside each year to fund balance so that the targeted amounts will be met within 5 years.

D. Utilization of Fund Balance

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

E. Fund Balances By Fund

As of September 30, 2016, total governmental fund balances were \$12,317,000 comprising the following funds and fund balance classifications:

Note 14 - Governmental Funds Fund Balance Schedule

Fund Name	Fund Balance Classifications					Total
	Nonspendable	Restricted	Committed	Assigned	Unassigned	
General Fund	\$ 501,230	\$ 635,938	\$ 93,387	\$ 769,048	\$ 3,167,816	\$ 5,167,419
Sheriff's Office Fund	-	-	-	622,289	-	622,289
Capital Projects	-	-	-	105,262	-	105,262
One Cent Sales Tax Fund	390,000	203,457	-	2,723,603	-	3,317,060
Boating Improvement Fund	3,732	-	-	92,791	-	96,523
Court Fee Fund	11,120	75,048	-	209,270	-	295,438
Crime Prevention Fund	-	-	-	161,772	-	161,772
E-911 Surcharge Fund	-	-	-	117,989	-	117,989
Industrial Development Authority (IDA)	-	-	-	11,075	-	11,075
M.S.B.U. Fire Department Fund	-	-	-	170,749	-	170,749
Mosquito Control Program	-	-	-	61,627	-	61,627
Recreation Fee Fund	-	-	-	18,637	-	18,637
Road Operating Fund	27,207	-	-	862,112	-	889,319
Tourist Development Fund	-	-	-	244,760	-	244,760
Impact Fees	-	-	-	250,482	-	250,482
Clerk Child Support Grant	-	-	30,932	-	-	30,932
Clerk Employee Benefit Fund	-	-	-	2,283	-	2,283
Clerk Records Modernization Trust	-	69,341	-	-	-	69,341
Clerk State Court Fund	1,834	-	-	-	(1,834)	-
Sheriff EMPA/ EMPG Grant	602	-	-	-	(602)	-
Sheriff Federal Forfeiture	-	9,687	-	-	-	9,687
Sheriff Firing Range	-	-	18,285	-	-	18,285
Sheriff Inmate Welfare	-	579,137	-	-	-	579,137
Sheriff Law Enforcement Trust	-	76,934	-	-	-	76,934
Total fund balances	\$ 935,725	\$ 1,649,542	\$ 142,604	\$ 6,423,749	\$ 3,165,380	\$ 12,317,000

NOTE 15. CONTINGENT LIABILITIES

A. Pending Litigation

The County is involved in various litigation matters arising from normal operations of a local government. It is the opinion of management that none of those matters will have a material impact on the basic financial statements of the County. The County will continue to incur legal expenses regarding the defense of these actions.

B. Grant Programs

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal and State 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 County expects these amounts, if any, to be immaterial.

C. Guarantee of Debt for Others

In fiscal year 1999-2000, the County agreed to guarantee a \$350,000 loan for a local non-profit organization (Wakulla County Senior Center). The balance of the loan at September 30, 2016 was \$157,026.

D. Remediation Costs

The County has begun a remediation cleanup of a petroleum contamination site located on County property that previously contained a fueling station for the former location of the Sheriff's Office Jail. The County has developed a Remedial Action Plan which has been approved by the Florida Department of Environmental Protection (FDEP). The County has hired

a contractual engineer to oversee the clean-up of the site and the engineer has developed estimated costs for three possible clean-up phases. The costs to the County will vary depending on the results of the Phase 1 cleanup, outside funding provided by FDEP and any unknown factors. Phase 1 was completed in the current fiscal year. The total estimated cost was \$703,900 and the County set aside \$600,000 of fund balance in the General Fund for this remediation. The remaining future estimated costs assuming all three phases are required are:

<u>Fiscal Year</u>	<u>Phase</u>	<u>Estimated Cost</u>
2016/17	2	130,009
2017/18	3	127,687
Total		<u>\$ 257,696</u>

NOTE 16. RISK MANAGEMENT

The County participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the County pays annual premiums to the pools for its insurance coverages. The agreements for information 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 specified amounts. The County continues to carry commercial insurance for other risks of loss. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years. The pooling agreements allow for the pools to make additional assessments on its members 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.

NOTE 17. CONTRACTUAL & CONSTRUCTION COMMITMENTS

During the year, the County entered into several contractual relationships with vendors for professional services for various operational needs and/or projects. These contracts, their source of funding, costs incurred to date (including costs incurred in previous fiscal years), future commitments under contract and estimated future commitments not yet under contract are:

<u>Note 17 - Contractual Commitments Schedule</u>						
<u>Project</u>	<u>Funding Source</u>	<u>Costs Incurred To Date</u>	<u>Future Commitments *</u>	<u>Future Projected Costs Not Under Commitment</u>	<u>Total Projected Cost Estimate</u>	
Governmental Funds						
<u>General Government</u>						
Adopted Infrastructure Plan	General Fund	\$ 7,320	\$ 4,680	\$ -	\$ 12,000	
FDEP Fuel Contamination Remediation	General Fund	264,637	130,009	127,687	522,333	
<u>Transportation</u>						
Airport Environmental Assessment & Impact Study	Grant Funds	119,730	62,088	-	181,818	
Martin Luther King Road Resurfacing (Engineering)	Grant Funds	-	150,920	-	150,920	
Cajer Posey Road Resurfacing (Engineering)	Grant Funds	-	45,495	-	45,495	
<u>Economic Environment</u>						
CDBG Housing Rehabilitation	Grant Funds	25,500	76,500	-	102,000	
<u>Culture & Recreation</u>						
Boating Restricted Area Maps	Boating Fees	2,400	600	-	3,000	
Total Governmental Funds		\$ 419,587	\$ 470,292	\$ 127,687	\$ 1,017,566	

Note 17 - Contractual Commitments Schedule

<u>Project</u>	<u>Funding Source</u>	<u>Costs Incurred To Date</u>	<u>Future Commitments *</u>	<u>Future Projected Costs Not Under Commitment</u>	<u>Total Projected Cost Estimate</u>
Enterprise Funds					
Physical Environment					
Wastewater Treatment Plant Compliance Monitoring	Sewer Fees	\$ 29,250	\$ 2,208	\$ -	\$ 31,458
Panacea Sewer Inflow & Infiltration Study	Grant Funds	68,000	2,000	-	70,000
State Road 61 Sewer Utility Relocation (Engineering)	Sewer Fees	43,015	5,985	-	49,000
State Road 61 Sewer Utility Relocation	Sewer Fees	169,953	70,838	-	240,791
Highway 319 Sewer Utility Relocation (Engineering)	Sewer Fees	6,662	16,588	-	23,250
Hickory Park Lift Station Rehab	Sewer Access Fees	356,421	4,000	-	360,421
Lower Bridge Landfill Compliance Monitoring	Grant Funds	37,145	9,417	-	46,562
Medart Landfill Compliance Monitoring	Grant Funds	18,361	5,766	-	24,127
Total Enterprise Funds		\$ 728,807	\$ 116,802	\$ -	\$ 845,609
Total County-wide contractual commitments		\$ 1,148,394	\$ 587,094	\$ 127,687	\$ 1,863,175

* Future Commitments are the balances due, as of 9/30/2016, on existing signed contracts with vendors for these projects.

During the year, the County had several construction projects in progress and existing funds from various sources have been earmarked for completion of those projects. The projects in progress, their source of funding, costs incurred to date (including costs incurred in previous fiscal years), construction commitments and estimated future completion costs are:

Note 17 - Construction in Progress Schedule

<u>Project</u>	<u>Funding Source</u>	<u>Costs Incurred to Date</u>	<u>Future Commitments *</u>	<u>Future Projected Costs Not Under Commitment</u>	<u>Total Projected Cost Estimate</u>
Governmental Funds					
Transportation					
Shadeville Highway SR61 Resurfacing	Grant Funds	\$ 179,327	\$ 20,689	\$ -	\$ 200,016
Otter Lake Road Resurfacing	Grant Funds	1,000	8,260	-	9,260
Total Governmental Funds		\$ 180,327	\$ 28,949	\$ -	\$ 209,276
Enterprise Funds					
Physical Environment					
Otter Creek Wastewater Treatment Plant Expansion	Loan Funds & Grant Funds	\$ 1,125,219	\$ 7,363,127	\$ -	\$ 8,488,346
Wakulla Gardens Sewer Retrofit	Grant Funds	215,770	347,005	1,737,225	2,300,000
Magnolia Gardens Sewer Retrofit	Grant Funds	219,470	119,355	1,961,175	2,300,000
Total Enterprise Funds		\$ 1,560,459	\$ 7,829,487	\$ 3,698,400	\$ 13,088,346
Total County-wide construction in progress		\$ 1,740,786	\$ 7,858,436	\$ 3,698,400	\$ 13,297,622

NOTE 18. LANDFILL CLOSURE AND POST-CLOSURE COSTS

The County has obtained engineering estimates of closure construction costs and future costs to monitor sanitary landfill sites as required by U.S. Environmental Protection Agency (EPA) regulations and the related provisions of Governmental Accounting Standards Board Statement No. 18. These engineering estimates are approved by the Florida Department of Environmental Protection (DEP).

A liability for accrued landfill closure and post-closure costs at September 30, 2016 has been recorded in the Statement of Net Position in the amount of \$1,804,293 representing the County's estimated liabilities for such costs (in 2014 dollars), of which it is estimated \$96,362 is expected to be spent in the following year and the remaining \$1,707,931 is estimated to be spent over the next 30 years.

The County began the closure process in Fiscal Year 2013-2014 and completed the closure in 2015-2016. The closure was funded with cash held by the County for this purpose in the amount of \$395,109 and loan proceeds in the amount of \$925,000. At September 30, 2016, \$96,362 was held in a separate bank account for the restricted use of funding future post-closure costs. The estimated future long-term care or post-closure costs are:

Note 18 - Landfill Closure & Post-closure Costs Schedule

	Class I		Class III		Total	
	9/30/2015	9/30/2016	9/30/2015	9/30/2016	9/30/2015	9/30/2016
Beginning closing/closure costs:	\$ -	\$ -	\$ 1,359,292	\$ -	\$ 1,359,292	\$ -
Additions / Adjustments	-	-	(52,650)	-	(52,650)	-
Deletions - expenditures incurred	-	-	(1,128,842)	-	(1,128,842)	-
Estimated closing/closure costs:	-	-	177,800	-	177,800	-
less cash on hand at 9/30	-	-	(177,800)	-	(177,800)	-
Future funding needed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Beginning long-term care costs:	698,972	654,242	1,212,489	\$ 1,229,460	1,911,461	1,883,702
Change in long-term care estimate	9,035	5,398	16,971	(30,285)	26,006	(24,887)
Less prior year annual long-term care estimate	(53,765)	(54,522)	-	-	(53,765)	(54,522)
Estimated long-term care costs:	\$ 654,242	\$ 605,118	\$ 1,229,460	\$ 1,199,175	\$ 1,883,702	\$ 1,804,293
Annual long-term care costs:						
Annually funded through state grant and internal funds	\$ 54,520	\$ 55,011	\$ 40,982	\$ 41,351	\$ 95,502	96,362
# of years annual long term care is required	12	11	30	29		
Estimated future long-term care costs:	\$ 654,242	\$ 605,118	\$ 1,229,460	\$ 1,199,175	\$ 1,883,702	\$ 1,804,293
Total Closing & Long-term Care Costs:	\$ 654,242	\$ 605,118	\$ 1,229,460	\$ 1,199,175	\$ 1,883,702	\$ 1,804,293

Each year a “Landfill Management Escrow Account Schedule of Activity” report is prepared by the County and audited by the independent auditors. This report is delivered to the Florida Department of Environmental Protection (FDEP) as evidence the County is complying with the escrow requirements of Section 62-701.630 (5)(c) of the Florida Administrative Code. Copies of this report will provided upon request by contacting the Finance Department of the Clerk of Court, 3056 Crawfordville Highway, Crawfordville, Florida, 32327.

NOTE 19. FUND DEFICIT

The following fund(s) had an unassigned fund balance deficit at year end. The deficit will be funded by operating transfers in the subsequent year.

	Fund Deficit
Special Revenue Funds:	
Clerk State Court Fund	\$ (1,834)
Sheriff EMPA/ EMPG Grant	\$ (602)
Total	\$ (2,436)

WAKULLA COUNTY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

WAKULLA COUNTY, FLORIDA

**GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive
	Original	Final		
Revenue				
Taxes	\$ 3,194,039	\$ 3,194,039	\$ 3,295,637	\$ 101,598
Licenses, permits and special assessments	40,100	40,100	33,075	(7,025)
Intergovernmental	5,446,092	5,446,092	5,706,099	260,007
Charges for services	2,192,197	2,192,197	2,189,133	(3,064)
Fines and forfeitures	46,500	46,500	28,536	(17,964)
Miscellaneous	1,269,521	1,179,521	41,240	(1,138,281)
Interest	70,092	70,092	76,215	6,123
Total revenue	\$ 12,258,541	\$ 12,168,541	\$ 11,369,935	\$ (798,606)
Expenditures				
Current				
General Government	\$ 6,785,999	\$ 6,667,245	\$ 5,922,098	\$ 745,147
Public Safety	13,088,226	13,088,226	12,778,253	309,973
Physical Environment	172,750	172,750	162,057	10,693
Transportation	4,800	4,800	3,297	1,503
Economic Environment	45,700	56,100	45,750	10,350
Human Services	713,425	713,425	787,576	(74,151)
Culture and recreation	1,006,805	968,405	938,177	30,228
Court related	55,000	55,000	55,000	-
Capital Outlay				
General Government	40,000	40,000	50,879	(10,879)
Public Safety	41,000	41,000	202,350	(161,350)
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	24,076	24,076	24,076	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 21,977,781	\$ 21,831,027	\$ 20,969,513	\$ 861,514
Excess (deficiency) of revenues over (under) expenditures	\$ (9,719,240)	\$ (9,662,486)	\$ (9,599,578)	\$ 62,908
Other financing sources (uses)				
Sale of equipment	\$ 6,000	\$ 6,000	\$ 1,520	\$ (4,480)
Debt proceeds	-	-	-	-
Transfers from Board of County Commissioners	13,180,856	13,180,856	12,886,626	(294,230)
Transfers to other governments	-	-	(143)	(143)
Transfer In	429,714	429,714	463,084	33,370
Transfers Out	(3,897,330)	(3,954,084)	(3,848,020)	106,064
Total other financing sources (uses)	\$ 9,719,240	\$ 9,662,486	\$ 9,503,067	\$ (159,419)
Net change in fund balance	-	-	(96,511)	(96,511)
Fund balances, beginning of year	5,263,930	5,263,930	5,263,930	-
Fund balances, end of year	\$ 5,263,930	\$ 5,263,930	\$ 5,167,419	\$ (96,511)

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

**SHERIFF'S OFFICE FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2016**

	Budgeted Amounts		Actual Amounts	Final Budget Positive
	Original	Final		
Revenue				
Taxes	\$ 7,408,354	\$ 7,408,354	\$ 7,408,354	\$ -
Licenses, permits and special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	1,838,500	1,838,500	1,909,627	71,127
Fines and forfeitures	-	-	-	-
Miscellaneous	371,900	371,900	-	(371,900)
Interest	-	-	6,990	6,990
Total revenue	\$ 9,618,754	\$ 9,618,754	\$ 9,324,971	\$ (293,783)
Expenditures				
Current				
General government	\$ -	\$ -	\$ -	-
Public Safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public Safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over (under) expenditures	\$ 9,618,754	\$ 9,618,754	\$ 9,324,971	\$ (293,783)
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-
Transfer from Board of County Commissioners	-	-	-	-
Transfers to other governments	-	-	-	-
Transfer In	739,570	739,570	903,198	163,628
Transfers Out	(10,358,324)	(10,358,324)	(10,358,324)	-
Total other financing sources (uses)	\$ (9,618,754)	\$ (9,618,754)	\$ (9,455,126)	\$ 163,628
Net change in fund balance	-	-	(130,155)	(130,155)
Fund balances, beginning of year	752,444	752,444	752,444	-
Fund balances, end of year	\$ 752,444	\$ 752,444	\$ 622,289	\$ (130,155)

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

SHIP - STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM FUND
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Final Budget Positive
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits and special assessments	-	-	-	-
Intergovernmental	350,000	925,000	406,451	(518,549)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	175,000	-	(175,000)
Interest	-	-	767	767
Total revenue	\$ 350,000	\$ 1,100,000	\$ 407,218	\$ (692,782)
Expenditures				
Current				
General government	\$ -	\$ -	\$ -	-
Public Safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	350,000	1,100,000	407,218	692,782
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public Safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 350,000	\$ 1,100,000	\$ 407,218	\$ 692,782
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-
Transfer from Board of County Commissioners	-	-	-	-
Transfers to other governments	-	-	-	-
Transfer In	-	-	-	-
Transfers Out	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

CAPITAL PROJECTS GRANT FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits and special assessments	-	-	-	-
Intergovernmental	735,000	779,000	533,211	(245,789)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	31,608	31,608
Interest	-	-	-	-
Total revenue	\$ 735,000	\$ 779,000	\$ 564,819	\$ (214,181)
Expenditures				
Current				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	44,000	71,476	(27,476)
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	735,000	735,000	529,718	205,282
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 735,000	\$ 779,000	\$ 601,194	\$ 177,806
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ (36,375)	\$ (36,375)
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-
Transfer from Board of County Commissioners	-	-	-	-
Transfers to other governments	-	-	-	-
Transfer In	-	-	41,725	41,725
Transfers Out	-	-	(5,350)	(5,350)
Total other financing sources (uses)	\$ -	\$ -	\$ 36,375	\$ 36,375
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	105,262	105,262	105,262	-
Fund balances, end of year	\$ 105,262	\$ 105,262	\$ 105,262	\$ -

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

ONE CENT SALES TAX FUND
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ 2,182,000	\$ 2,182,000	\$ 2,301,853	\$ 119,853
Licenses, permits and special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	1,862,994	1,862,994	-	(1,862,994)
Interest	-	-	962	962
Total revenue	\$ 4,044,994	\$ 4,044,994	\$ 2,302,815	\$ (1,742,179)
Expenditures				
Current				
General government	\$ 548,500	\$ 74,725	\$ -	\$ 74,725
Public Safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	1,133,755	1,133,755	14,775	1,118,980
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	53,000	53,000	51,576	1,424
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public Safety	580,000	811,985	231,985	580,000
Physical environment	-	-	-	-
Transportation	600,000	600,000	1,000	599,000
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	295,000	295,000	189,662	105,338
Court related	-	-	-	-
Debt Service				
Principal	557,895	557,895	557,895	-
Interest	93,344	33,344	33,505	(161)
Total Expenditures	\$ 3,861,494	\$ 3,559,704	\$ 1,080,398	\$ 2,479,306
Excess (deficiency) of revenues over (under) expenditures	\$ 183,500	\$ 485,290	\$ 1,222,417	\$ 737,127
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-
Transfer in from Board of County Commissioners	-	-	-	-
Transfers to other governments	-	-	-	-
Transfer In	25,000	25,000	-	(25,000)
Transfers Out	(208,500)	(510,290)	(227,439)	282,851
Total other financing sources (uses)	\$ (183,500)	\$ (485,290)	\$ (227,439)	\$ 257,851
Net change in fund balance	-	-	994,978	994,978
Fund balances, beginning of year	2,322,082	2,322,082	2,322,082	-
Fund balances, end of year	\$ 2,322,082	\$ 2,322,082	\$ 3,317,060	\$ 994,978

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

SEWER FUND
 STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION -
 BUDGET AND ACTUAL
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues				
Special Assessments	\$ -	\$ -	\$ -	\$ -
Charges for services	1,811,000	1,811,000	2,057,847	246,847
Operating grants	403,125	403,125	-	(403,125)
Miscellaneous	339,175	339,175	9,587	(329,588)
Total operating revenues	\$ 2,553,300	\$ 2,553,300	\$ 2,067,434	\$ (485,866)
Operating expenses				
Materials, supplies and other	\$ 1,842,300	\$ 1,782,300	\$ 1,349,870	\$ 432,430
Depreciation and amortization	-	-	663,394	(663,394)
Total operating expenses	\$ 1,842,300	\$ 1,782,300	\$ 2,013,264	\$ (230,964)
Operating income	\$ 711,000	\$ 771,000	\$ 54,170	\$ (716,830)
Nonoperating revenues (expenses)				
Capital grants and contributions	\$ 4,550,000	\$ 4,550,000	\$ 413,815	\$ (4,136,185)
Landfill closure expenses	-	-	-	-
Interest and other non-operating	-	-	108	108
Gain (Loss) on disposal of assets	-	-	6,365	6,365
Capital outlay	(11,033,000)	(11,033,000)	-	11,033,000
Debt service principal	(394,000)	(394,000)	-	394,000
Interest expense	(23,500)	(23,500)	(52,200)	(28,700)
Total nonoperating revenues (expenses)	\$ (6,900,500)	\$ (6,900,500)	\$ 368,088	\$ 7,268,588
Net income (loss) before operating transfers	\$ (6,189,500)	\$ (6,129,500)	\$ 422,258	\$ 6,551,758
Other financing sources (uses)				
Debt proceeds	\$ 6,195,000	\$ 6,195,000	\$ -	\$ (6,195,000)
Operating transfers in	308,000	248,000	1,960,680	1,712,680
Operating transfers out	(313,500)	(313,500)	(2,026,180)	(1,712,680)
Total other financing sources (uses)	\$ 6,189,500	\$ 6,129,500	\$ (65,500)	\$ (6,195,000)
Change in net position	-	-	356,758	356,758
Total Net Position, beginning of year	15,489,584	15,489,584	15,489,584	-
Total Net Position, end of year	\$ 15,489,584	\$ 15,489,584	\$ 15,846,342	\$ 356,758

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

**SOLID WASTE FUND
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues				
Special Assessments	\$ -	\$ -	\$ 2,233,779	\$ 2,233,779
Charges for services	2,321,871	2,239,570	54,485	(2,185,085)
Operating grants	90,909	90,909	66,856	(24,053)
Miscellaneous	3,000	85,301	-	(85,301)
Total operating revenues	\$ 2,415,780	\$ 2,415,780	\$ 2,355,120	\$ (60,660)
Operating expenses				
Materials, supplies and other	\$ 2,345,576	\$ 2,345,576	\$ 2,151,762	\$ 193,814
Depreciation and amortization	-	-	2,079	(2,079)
Total operating expenses	\$ 2,345,576	\$ 2,345,576	\$ 2,153,841	\$ 191,735
Operating income	\$ 70,204	\$ 70,204	\$ 201,279	\$ 131,075
Nonoperating revenues (expenses)				
Capital grants and contributions	\$ -	\$ -	\$ -	\$ -
Landfill closure expenses	-	-	(79,409)	(79,409)
Interest and other non-operating	8,000	8,000	7,742	(258)
Gain (Loss) on disposal of assets	-	-	-	-
Capital outlay	-	-	-	-
Debt service principal	(61,667)	(61,667)	-	61,667
Interest expense	(30,545)	(30,545)	(29,435)	1,110
Total nonoperating revenues (expenses)	\$ (84,212)	\$ (84,212)	\$ (101,102)	\$ (16,890)
Net income (loss) before operating transfers	\$ (14,008)	\$ (14,008)	\$ 100,177	\$ 114,185
Other financing sources (uses)				
Debt proceeds	\$ -	\$ -	\$ -	\$ -
Operating transfers in	29,008	29,008	110,743	81,735
Operating transfers out	(15,000)	(15,000)	(96,735)	(81,735)
Total other financing sources (uses)	\$ 14,008	\$ 14,008	\$ 14,008	\$ -
Change in net position	-	-	114,185	114,185
Total Net Position, beginning of year	(2,256,919)	(2,256,919)	(2,256,919)	-
Total Net Position, end of year	\$ (2,256,919)	\$ (2,256,919)	\$ (2,142,734)	\$ 114,185

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

**SCHEDULE OF WAKULLA COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM
Last Three Fiscal Years ***

	<u>2014</u>	<u>2015</u>	<u>2016</u>
County's proportion of the net pension liability			
Pension Plan	0.0585%	0.0604%	0.0626%
Health Insurance Subsidy Program	0.0349%	0.0348%	0.0336%
County's proportionate share of the net pension liability			
Pension Plan	\$ 3,571,635	\$ 7,800,742	\$ 15,819,014
Health Insurance Subsidy Program	<u>3,266,527</u>	<u>3,551,030</u>	<u>3,915,109</u>
Total	<u>\$ 6,838,162</u>	<u>\$ 11,351,772</u>	<u>\$ 19,734,123</u>
County's covered payroll	\$ 10,402,835	\$ 10,599,151	\$ 10,385,205
County's proportionate share of the net pension liability as a percentage of its covered employee payroll			
Pension Plan	34.33%	73.60%	152.32%
Health Insurance Subsidy Program	<u>31.40%</u>	<u>33.50%</u>	<u>37.70%</u>
Total	<u>65.73%</u>	<u>107.10%</u>	<u>190.02%</u>
Plan fiduciary net position as a percentage of the total pension liability			
Pension Plan	96.09%	92.00%	84.88%
Health Insurance Subsidy Program	<u>0.99%</u>	<u>0.50%</u>	<u>0.97%</u>
Total	<u>97.08%</u>	<u>92.50%</u>	<u>85.85%</u>

* GASB Statement 68 requires information for 10 years. However, until a full 10-year trend has been compiled, Wakulla County is only able to present information for those years for which information is available.

See notes to the required supplementary information

WAKULLA COUNTY, FLORIDA

**SCHEDULE OF WAKULLA COUNTY'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
Last Three Fiscal Years ***

	<u>2014</u>	<u>2015</u>	<u>2016</u>
County's contractually required contributions			
Pension Plan	\$ 1,282,214	\$ 1,472,466	\$ 1,527,805
Health Insurance Subsidy Program	119,676	133,101	172,185
Total	<u>\$ 1,401,890</u>	<u>\$ 1,605,567</u>	<u>\$ 1,699,990</u>
County contributions in relation to the contractually required contributions	1,401,890	1,605,567	1,699,990
County's contribution deficiency	\$ -	\$ -	\$ -
County's covered payroll	\$ 10,402,835	\$ 10,599,151	\$ 10,385,205
County's contributions as a percentage of covered payroll	13.48%	15.15%	16.37%

* GASB Statement 68 requires information for 10 years. However, until a full 10-year trend has been compiled, Wakulla County is only able to present information for those years for which information is available.

See notes to the required supplementary information

WAKULLA COUNTY, FLORIDA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Fiscal Year Ended September 30, 2016

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 yearend.

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, 2016 are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. Enterprise fund budgets are adopted on the accrual basis except that depreciation is not budgeted.
9. Legal control of the budget is exercised pursuant to applicable provisions of the *Florida Statutes*.
10. Appropriations for the County lapse at the close of the fiscal year.

NOTE 2. FLORIDA RETIREMENT SYSTEM PENSION PLAN

A. Net Pension Liability

The components of the collective (state-wide) net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2016 are shown below (in thousands):

Statewide Net Pension Liability	June 30, 2015	June 30, 2016	Net Change - Increase (Decrease)
	Pension Plan		
Total FRS pension liability	\$ 161,370,735,088	\$ 167,030,999,000	\$ 5,660,263,912
less Plan fiduciary net position	148,454,393,902	141,780,920,515	(6,673,473,387)
Net FRS pension liability	\$ 12,916,341,186	\$ 25,250,078,485	\$ 12,333,737,299
Plan fiduciary net position as a percentage of the total pension liability	92.00%	84.88%	-7.11%
Covered Payroll	\$ 32,726,034,000	\$ 33,214,217,000	\$ 488,183,000
Net pension liability as a % of covered payroll	39.47%	76.02%	36.55%
	HIS Program		
Total HIS program liability	\$ 10,249,201,290	\$ 11,768,444,801	\$ 1,519,243,511
less Plan fiduciary net position	50,774,315	113,859,055	63,084,740
Net HIS program liability	\$ 10,198,426,975	\$ 11,654,585,746	\$ 1,456,158,771
Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.97%	0.47%
Covered Payroll	\$ 30,340,449,100	\$ 30,875,273,947	\$ 534,824,847
Net pension liability as a % of covered payroll	33.61%	37.75%	4.13%

The total pension liability for each plan was determined by the plan's actuary and reported in the plan's valuations dated July 1, 2016. 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 program actuarial valuation was prepared as of July 1, 2014 and update procedures were used to determine liabilities as of July 1, 2016. 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.

B. 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, 2015 and 2016, respectively, for employers that were members of the FRS pension plan and HIS program during those years. For fiscal year 2016, 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 inflows of resources and associated pension expense. For the purposes of the pension allocation schedules, pension amounts were 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.

C. 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 determine 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 actuarial methods and assumptions for the current and prior fiscal year and the changes are:

Key Actuarial Assumptions	June 30, 2015	June 30, 2016	Net Change - Increase (Decrease)
	Pension Plan		
Valuation date	July 1, 2015	July 1, 2016	
Measurement date	June 30, 2015	June 30, 2016	
Inflation	2.60%	2.60%	0.00%
Real payroll growth	0.65%	0.65%	0.00%
Payroll growth (Salary Increases including inflation)	3.25%	3.25%	0.00%
Discount Rate	7.65%	7.60%	-0.05%
Long-term expected rate of return, net of investment expense	7.65%	7.60%	-0.05%
Municipal bond rate	N/A	N/A	
Mortality	Generational RP 2000 with Projection Scale BB tables		
Actuarial cost method	Individual Entry Age		
HIS Program			
Valuation date	July 1, 2015	July 1, 2016	
Measurement date	June 30, 2015	June 30, 2016	
Inflation	2.60%	2.60%	0.00%
Real payroll growth	0.65%	0.65%	0.00%
Payroll growth (Salary Increases including inflation)	3.25%	3.25%	0.00%
Discount Rate	3.80%	2.85%	-0.95%
Long-term expected rate of return, net of investment expense	N/A	N/A	
Bond Buyer General Obligation 20-Bond Municipal Bond	3.80%	2.85%	-0.0095
Mortality	Generational RP 2000 with Projection Scale BB tables		
Actuarial cost method	Individual Entry Age		

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENTS AND SCHEDULES

WAKULLA COUNTY, FLORIDA

COMBINING BALANCE SHEET
GENERAL FUND
September 30, 2016

	Board of County Commissioners	Revenue Stabilization Fund	Building Dept. Fund	Clerk of Court	Property Appraiser	Sheriff	Supervisor of Elections	Tax Collector	Total General Fund
ASSETS									
Current assets									
Cash and cash equivalents	\$ 2,491,873	\$ 471,881	\$ 643,319	\$ 15,192	\$ 45,305	\$ 525,006	\$ 141,763	\$ 1,172	\$ 4,335,511
Accounts receivable, net	917,649	-	-	-	-	4,308	7	-	921,964
Due from individuals	-	-	-	-	-	-	-	-	-
Due from agency funds	-	-	-	12,757	-	21,665	-	-	34,422
Due from other funds	144,028	-	7,423	3,622	16,321	183,618	1,674	-	356,686
Due from other governmental units	293,395	-	-	-	-	8,387	-	-	301,782
Inventories	-	-	-	-	-	-	-	-	-
Prepaid expenses	27,374	-	188	8,766	-	462,877	2,025	-	501,230
Other current assets	-	-	-	-	-	-	-	-	-
Total assets	\$ 3,874,319	\$ 471,881	\$ 650,930	\$ 40,337	\$ 61,626	\$ 1,205,861	\$ 145,469	\$ 1,172	\$ 6,451,595
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts payable	\$ 134,774	\$ -	\$ 1,763	\$ 21,764	\$ -	\$ 383,873	\$ 4,171	\$ -	\$ 546,345
Accrued liabilities	198,342	-	11,744	9,142	-	137,818	9,322	-	366,368
Due to individuals	-	-	-	-	-	-	-	-	-
Due to agency funds	-	-	-	-	-	236	-	-	236
Due to other funds	37,866	-	-	9,371	61,483	221,057	36,564	138	366,479
Due to other governmental units	911	-	1,297	-	143	-	-	-	2,351
Unearned revenues	1,303	-	-	-	-	-	-	-	1,303
Interest payable	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	60	-	-	-	1,034	1,094
Total liabilities	\$ 373,196	\$ -	\$ 14,804	\$ 40,337	\$ 61,626	\$ 742,984	\$ 50,057	\$ 1,172	\$ 1,284,176
Fund balances									
Nonspendable									
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Expenses	27,374	-	188	8,766	-	462,877	2,025	-	501,230
Restricted	-	-	635,938	-	-	-	-	-	635,938
Committed	-	-	-	-	-	-	93,387	-	93,387
Assigned	297,167	471,881	-	-	-	-	-	-	769,048
Unassigned	3,176,582	-	-	(8,766)	-	-	-	-	3,167,816
Total fund balances	\$ 3,501,123	\$ 471,881	\$ 636,126	\$ -	\$ -	\$ 462,877	\$ 95,412	\$ -	\$ 5,167,419
Total liabilities and fund balances	\$ 3,874,319	\$ 471,881	\$ 650,930	\$ 40,337	\$ 61,626	\$ 1,205,861	\$ 145,469	\$ 1,172	\$ 6,451,595

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
GENERAL FUND
For the Fiscal Year Ended September 30, 2016

	Board of County Commissioners	Revenue Stabilization Fund	Building Department	Clerk of Courts	Property Appraiser	Sheriff	Supervisor of Elections	Tax Collector	Total General Fund
REVENUE									
Taxes	\$ 3,295,637	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,295,637
Licenses, permits and special assessments	33,075	-	-	-	-	-	-	-	33,075
Intergovernmental	5,704,034	-	-	-	2,065	-	-	-	5,706,099
Charges for services	1,506,329	-	404,530	156,931	-	83,476	-	37,867	2,189,133
Fines and forfeitures	22,961	-	5,575	-	-	-	-	-	28,536
Miscellaneous	25,535	-	693	5,908	1,424	-	1,780	5,900	41,240
Interest	17,206	-	-	58,886	123	-	-	-	76,215
Total revenue	\$ 10,604,777	\$ -	\$ 410,798	\$ 221,725	\$ 3,612	\$ 83,476	\$ 1,780	\$ 43,767	\$ 11,369,935
EXPENDITURES									
Current expenditures									
General government	\$ 3,088,559	\$ -	\$ -	\$ 787,550	\$ 977,554	\$ -	\$ 340,698	\$ 727,737	\$ 5,922,098
Public safety	2,279,198	-	401,034	-	-	10,098,021	-	-	12,778,253
Physical environment	162,057	-	-	-	-	-	-	-	162,057
Transportation	3,297	-	-	-	-	-	-	-	3,297
Economic environment	45,750	-	-	-	-	-	-	-	45,750
Human services	787,576	-	-	-	-	-	-	-	787,576
Culture and recreation	938,177	-	-	-	-	-	-	-	938,177
Court related	55,000	-	-	-	-	-	-	-	55,000
Capital outlay									
General government	-	-	-	10,479	-	-	-	40,400	50,879
Public safety	14,358	-	25,000	-	-	162,992	-	-	202,350
Physical environment	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-
Human services	24,076	-	-	-	-	-	-	-	24,076
Culture and recreation	-	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-	-
Debt service									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	\$ 7,398,048	\$ -	\$ 426,034	\$ 798,029	\$ 977,554	\$ 10,261,013	\$ 340,698	\$ 768,137	\$ 20,969,513
Excess (deficiency) of revenue over (under) expenditures	\$ 3,206,729	\$ -	\$ (15,236)	\$ (576,304)	\$ (973,942)	\$ (10,177,537)	\$ (338,918)	\$ (724,370)	\$ (9,599,578)
OTHER FINANCING SOURCES (USES)									
Sale of equipment	\$ 1,520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,520
Debt proceeds	-	-	-	-	-	-	-	-	-
Transfer from Board of County Commissioners	-	-	-	576,304	957,764	10,288,797	339,391	724,370	12,886,626
Transfers to other governments	-	-	-	-	(143)	-	-	-	(143)
Interfund transfers in	396,763	50,000	-	-	16,321	-	-	-	463,084
Interfund transfers out	(3,669,251)	(87,322)	(15,000)	-	-	(75,974)	(473)	-	(3,848,020)
Total other financing sources (uses)	\$ (3,270,968)	\$ (37,322)	\$ (15,000)	\$ 576,304	\$ 973,942	\$ 10,212,823	\$ 338,918	\$ 724,370	\$ 9,503,067
Net change in fund balance	(64,239)	(37,322)	(30,236)	-	-	35,286	-	-	(96,511)
Fund balance, beginning of year	3,565,362	509,203	666,362	-	-	427,591	95,412	-	5,263,930
Fund balance, end of year	\$ 3,501,123	\$ 471,881	\$ 636,126	\$ -	\$ -	\$ 462,877	\$ 95,412	\$ -	\$ 5,167,419

See notes to financial statements

WAKULLA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2016

Board of County Commissioners

Special Revenue Funds

	Airport Improvement Grants	Boating Improvement Fund	BP Restore Act Fund	Court Fees Fund	Crime Prevention Fund	E911 Surcharge	EMS Grant	FEMA Fund
ASSETS								
Current assets								
Cash and cash equivalents	\$ -	\$ 103,596	\$ -	\$ 282,151	\$ 186,613	\$ 52,943	\$ -	\$ -
Accounts receivable, net	-	-	-	-	-	-	-	-
Due from individuals	-	-	-	-	-	-	-	-
Due from agency funds	-	-	-	-	-	-	-	-
Due from other funds	-	1,598	-	16,509	5,921	36,154	39,782	-
Due from other governmental units	73,044	-	8,132	288	-	28,892	-	74,564
Inventories	-	-	-	-	-	-	-	-
Prepaid expenses	-	3,732	-	11,120	-	-	-	-
Other current assets	-	-	-	-	-	-	-	-
Total assets	\$ 73,044	\$ 108,926	\$ 8,132	\$ 310,068	\$ 192,534	\$ 117,989	\$ 39,782	\$ 74,564
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 43,965	\$ 12,403	\$ -	\$ 2,433	\$ -	\$ -	\$ 6,000	\$ 55,246
Accrued liabilities	-	-	903	2,325	-	-	-	-
Due to individuals	-	-	-	-	-	-	-	-
Due to agency funds	-	-	-	-	-	-	-	-
Due to other funds	29,079	-	7,229	9,872	30,762	-	33,782	19,318
Due to other governmental units	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-
Total liabilities	\$ 73,044	\$ 12,403	\$ 8,132	\$ 14,630	\$ 30,762	\$ -	\$ 39,782	\$ 74,564
Fund balances								
Nonspendable								
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Expenses	-	3,732	-	11,120	-	-	-	-
Restricted	-	-	-	75,048	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	-	92,791	-	209,270	161,772	117,989	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	\$ -	\$ 96,523	\$ -	\$ 295,438	\$ 161,772	\$ 117,989	\$ -	\$ -
Total liabilities and fund balances	\$ 73,044	\$ 108,926	\$ 8,132	\$ 310,068	\$ 192,534	\$ 117,989	\$ 39,782	\$ 74,564

See notes to financial statements

WAKULLA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2016

Board of County Commissioners

	Special Revenue Funds					Capital Project Funds		
	Industrial Development Authority Fund	M.S.B.U. Fire Department Fund	Mosquito Control Grant	Recreation Fee Fund	Road Operating Fund	Tourist Development Fund	Impact Fee Fund	Road Paving Grants
ASSETS								
Current assets								
Cash and cash equivalents	\$ 11,075	\$ 201,876	\$ 61,627	\$ 29,618	\$ 599,450	\$ 239,410	\$ 253,492	\$ -
Accounts receivable, net	-	29	-	-	188,863	-	-	-
Due from individuals	-	-	-	-	-	-	-	-
Due from agency funds	-	-	-	-	-	-	-	-
Due from other funds	-	7,817	-	-	13,849	3,876	-	-
Due from other governmental units	-	-	-	-	83,812	10,063	-	26,940
Inventories	-	-	-	-	27,207	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-	-
Total assets	\$ 11,075	\$ 209,722	\$ 61,627	\$ 29,618	\$ 913,181	\$ 253,349	\$ 253,492	\$ 26,940
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ 17,746	\$ -	\$ 10,981	\$ 12,426	\$ 6,964	\$ 3,010	\$ 463
Accrued liabilities	-	21,227	-	-	-	-	-	-
Due to individuals	-	-	-	-	11,436	-	-	-
Due to agency funds	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	1,625	-	26,477
Due to other governmental units	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-
Total liabilities	\$ -	\$ 38,973	\$ -	\$ 10,981	\$ 23,862	\$ 8,589	\$ 3,010	\$ 26,940
Fund balances								
Nonspendable								
Inventories	\$ -	\$ -	\$ -	\$ -	\$ 27,207	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	11,075	170,749	61,627	18,637	862,112	244,760	250,482	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	\$ 11,075	\$ 170,749	\$ 61,627	\$ 18,637	\$ 889,319	\$ 244,760	\$ 250,482	\$ -
Total liabilities and fund balances	\$ 11,075	\$ 209,722	\$ 61,627	\$ 29,618	\$ 913,181	\$ 253,349	\$ 253,492	\$ 26,940

See notes to financial statements

WAKULLA COUNTY, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 September 30, 2016

	Clerk of Courts			Property Appraiser		Sheriff		
	Special Revenue Funds							
	Child Support Grant	Employee Benefit Fund	Records Modernization Trust Fund	State Court Fund	Special Assessment Fund	Bulletproof Vests	COPS Hiring	Crime Prevention
ASSETS								
Current assets								
Cash and cash equivalents	\$ 23,172	\$ 2,283	\$ 63,111	\$ 8,092	\$ 19,626	\$ -	\$ -	\$ -
Accounts receivable, net	-	-	-	-	-	-	-	-
Due from individuals	-	-	-	-	-	-	-	-
Due from agency funds	-	-	6,639	38,281	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	9,872
Due from other governmental units	8,110	-	-	-	-	3,183	-	-
Inventories	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	1,834	-	-	-	-
Other current assets	-	-	-	-	-	-	-	-
Total assets	\$ 31,282	\$ 2,283	\$ 69,750	\$ 48,207	\$ 19,626	\$ 3,183	\$ -	\$ 9,872
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 350	-	\$ 19	\$ 241	-	-	-	-
Accrued liabilities	-	-	390	10,845	-	-	-	490
Due to individuals	-	-	-	-	-	-	-	-
Due to agency funds	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	19,626	3,183	-	9,382
Due to other governmental units	-	-	-	11,613	-	-	-	-
Unearned revenues	-	-	-	25,508	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-
Total liabilities	\$ 350	\$ -	\$ 409	\$ 48,207	\$ 19,626	\$ 3,183	\$ -	\$ 9,872
Fund balances								
Nonspendable								
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-	1,834	-	-	-	-
Restricted								
Committed	30,932	-	69,341	-	-	-	-	-
Assigned	-	2,283	-	-	-	-	-	-
Unassigned	-	-	-	(1,834)	-	-	-	-
Total fund balances	\$ 30,932	\$ 2,283	\$ 69,341	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities and fund balances	\$ 31,282	\$ 2,283	\$ 69,750	\$ 48,207	\$ 19,626	\$ 3,183	\$ -	\$ 9,872

See notes to financial statements

WAKULLA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2016

Sheriff								
Special Revenue Funds								
	Domestic Violence	EMPA / EMPG Grant	EMPA Hazardous Analysis	Federal Forfeiture	FEMA	Firing Range	Florida Sheriff's Association	Inmate Welfare
ASSETS								
Current assets								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 9,687	\$ -	\$ 18,398	\$ -	\$ 578,862
Accounts receivable, net	-	-	-	-	-	-	-	-
Due from individuals	-	-	-	-	-	-	-	-
Due from agency funds	-	-	-	-	-	-	-	10,357
Due from other funds	6,840	-	-	-	-	-	-	-
Due from other governmental units	-	41,361	-	-	42,900	-	-	-
Inventories	-	-	-	-	-	-	-	-
Prepaid expenses	-	602	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-	-
Total assets	\$ 6,840	\$ 41,963	\$ -	\$ 9,687	\$ 42,900	\$ 18,398	\$ -	\$ 589,219
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ 1,837	\$ -	\$ -	\$ 23,148	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-	-
Due to individuals	-	-	-	-	-	-	-	-
Due to agency funds	-	-	-	-	5	-	-	-
Due to other funds	6,840	40,126	-	-	19,747	113	-	10,082
Due to other governmental units	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-
Total liabilities	\$ 6,840	\$ 41,963	\$ -	\$ -	\$ 42,900	\$ 113	\$ -	\$ 10,082
Fund balances								
Nonspendable								
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Expenses	-	602	-	-	-	-	-	-
Restricted	-	-	-	9,687	-	-	-	579,137
Committed	-	-	-	-	-	18,285	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	(602)	-	-	-	-	-	-
Total fund balances	\$ -	\$ -	\$ -	\$ 9,687	\$ -	\$ 18,285	\$ -	\$ 579,137
Total liabilities and fund balances	\$ 6,840	\$ 41,963	\$ -	\$ 9,687	\$ 42,900	\$ 18,398	\$ -	\$ 589,219

See notes to financial statements

WAKULLA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2016

Sheriff								
Special Revenue Funds								
	JAG / Byrne	JAG Direct I	Law Enforcement Trust	Litter Control Parks & Recreation	Litter Control Transfield	Moving Violations	School Resource Officer	Teen Driving Challenge
ASSETS								
Current assets								
Cash and cash equivalents	\$ -	\$ -	\$ 76,934	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable, net	-	-	-	-	-	-	-	-
Due from individuals	-	-	-	-	-	-	-	-
Due from agency funds	-	-	-	-	-	-	-	-
Due from other funds	594	-	-	12,043	-	9,755	-	-
Due from other governmental units	-	-	-	-	4,988	-	39,491	1,135
Inventories	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-	-
Total assets	\$ 594	\$ -	\$ 76,934	\$ 12,043	\$ 4,988	\$ 9,755	\$ 39,491	\$ 1,135
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 592	\$ -	\$ -	\$ 661	\$ 336	\$ -	\$ 4,474	\$ -
Accrued liabilities	-	-	-	840	1,055	-	4,382	-
Due to individuals	-	-	-	-	-	-	-	-
Due to agency funds	2	-	-	2	1	-	5	-
Due to other funds	-	-	-	10,540	3,596	9,755	30,630	1,135
Due to other governmental units	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-
Total liabilities	\$ 594	\$ -	\$ -	\$ 12,043	\$ 4,988	\$ 9,755	\$ 39,491	\$ 1,135
Fund balances								
Nonspendable								
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-	-	-	-	-	-
Restricted	-	-	76,934	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	\$ -	\$ -	\$ 76,934	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities and fund balances	\$ 594	\$ -	\$ 76,934	\$ 12,043	\$ 4,988	\$ 9,755	\$ 39,491	\$ 1,135

See notes to financial statements

WAKULLA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2016

	Sheriff						Supervisor of Elections	
	Special Revenue Funds							
	US Forestry	US Marshalls	VOCA	Wakulla County Coalition for Youth	1 Cent Sales Tax	\$2 Training	Voting Grants	Totals
ASSETS								
Current assets								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,352	\$ 2,838,368
Accounts receivable, net	-	-	-	1,277	-	-	-	190,169
Due from individuals	-	-	-	-	-	-	-	-
Due from agency funds	-	-	-	-	-	-	-	55,277
Due from other funds	-	-	-	-	574	14,167	-	179,351
Due from other governmental units	960	1,849	19,156	-	-	-	-	468,868
Inventories	-	-	-	-	-	-	-	27,207
Prepaid expenses	-	-	-	-	-	-	-	17,288
Other current assets	-	-	-	-	-	-	-	-
Total assets	\$ 960	\$ 1,849	\$ 19,156	\$ 1,277	\$ 574	\$ 14,167	\$ 16,352	\$ 3,776,528
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 239	\$ -	\$ 1,168	\$ 412	\$ -	\$ -	\$ -	\$ 205,114
Accrued liabilities	-	1,003	1,969	-	-	-	-	45,429
Due to individuals	-	-	-	-	-	-	-	11,436
Due to agency funds	-	-	6	-	-	-	-	21
Due to other funds	721	846	16,013	865	574	14,167	-	356,085
Due to other governmental units	-	-	-	-	-	-	-	11,613
Unearned revenues	-	-	-	-	-	-	16,352	41,860
Interest payable	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-
Total liabilities	\$ 960	\$ 1,849	\$ 19,156	\$ 1,277	\$ 574	\$ 14,167	\$ 16,352	\$ 671,558
Fund balances								
Nonspendable								
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,207
Prepaid Expenses	-	-	-	-	-	-	-	17,288
Restricted	-	-	-	-	-	-	-	810,147
Committed	-	-	-	-	-	-	-	49,217
Assigned	-	-	-	-	-	-	-	2,203,547
Unassigned	-	-	-	-	-	-	-	(2,436)
Total fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,104,970
Total liabilities and fund balances	\$ 960	\$ 1,849	\$ 19,156	\$ 1,277	\$ 574	\$ 14,167	\$ 16,352	\$ 3,776,528

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016

Board of County Commissioners								
Special Revenue Funds								
	Airport Improvement Grants	Boating Improvement Fund	BP Restore Act Fund	Court Fees Fund	Crime Prevention Fund	E911 Surcharge	EMS Grants	FEMA Fund
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and special assessments	-	23,063	-	-	-	-	-	-
Intergovernmental	116,707	-	8,132	39,340	-	-	121,427	74,564
Charges for services	-	34,916	-	191,537	-	157,284	-	-
Fines and forfeitures	-	-	-	-	65,861	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Interest	-	-	-	474	-	-	-	-
Total revenues	\$ 116,707	\$ 57,979	\$ 8,132	\$ 231,351	\$ 65,861	\$ 157,284	\$ 121,427	\$ 74,564
EXPENDITURES								
Current expenditures								
General government	\$ -	\$ -	\$ -	\$ -	\$ 4,986	\$ -	\$ -	\$ -
Public safety	-	-	8,132	-	-	4,447	4,386	74,564
Physical Environment	-	-	-	-	-	-	-	-
Transportation	116,707	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	18,592	-	-	-	-	-	-
Court related	-	-	-	147,472	-	-	-	-
Capital outlay								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	156,824	-
Physical Environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	20,128	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	97,690	-	-	-	-
Interest	-	-	-	23,584	-	-	-	-
Total expenditures	\$ 116,707	\$ 38,720	\$ 8,132	\$ 268,746	\$ 4,986	\$ 4,447	\$ 161,210	\$ 74,564
Excess (deficiency) of revenue over (under) expenditures	\$ -	\$ 19,259	\$ -	\$ (37,395)	\$ 60,875	\$ 152,837	\$ (39,783)	\$ -
OTHER FINANCING SOURCES (USES)								
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-	-	-	-	-
Transfer from Board of County Commissioners	-	-	-	-	-	-	-	-
Transfers to other governments	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	-	145,368	-	36,154	39,783	-
Interfund transfers out	-	(31,376)	-	(32,920)	(30,762)	(163,846)	-	-
Total other financing sources (uses)	\$ -	\$ (31,376)	\$ -	\$ 112,448	\$ (30,762)	\$ (127,692)	\$ 39,783	\$ -
Net change in fund balance	-	(12,117)	-	75,053	30,113	25,145	-	-
Fund balance, beginning of year	-	108,640	-	220,385	131,659	92,844	-	-
Fund balance, end of year	\$ -	\$ 96,523	\$ -	\$ 295,438	\$ 161,772	\$ 117,989	\$ -	\$ -

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016

Board of County Commissioners

	Special Revenue Funds					Capital Project Funds		
	Industrial Development Authority Fund	M.S.B.U. Fire Department Fund	Mosquito Control Grant	Recreation Fee Fund	Road Operating Fund	Tourist Development Fund	Impact Fee Fund	Road Paving Grants
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,856,808	\$ 146,849	\$ -	\$ -
Licenses, permits and special assessments	-	1,118,339	-	-	(2,106)	-	-	-
Intergovernmental	-	-	31,540	-	212,111	1,625	-	179,327
Charges for services	-	-	-	68,935	10,829	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Miscellaneous	-	8,510	-	-	100,704	-	-	-
Interest	-	3,826	-	-	-	-	-	-
Total revenues	\$ -	\$ 1,130,675	\$ 31,540	\$ 68,935	\$ 2,178,346	\$ 148,474	\$ -	\$ 179,327
EXPENDITURES								
Current expenditures								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	1,312,410	-	-	-	-	-	-
Physical Environment	-	-	-	-	20,000	-	-	-
Transportation	-	-	-	-	1,622,740	-	-	-
Economic environment	155	-	-	-	-	-	-	-
Human services	-	-	38,446	-	-	-	-	-
Culture and recreation	-	-	-	76,705	-	128,171	-	-
Court related	-	-	-	-	-	-	-	-
Capital outlay								
General government	-	-	-	-	-	-	-	-
Public safety	-	8,895	-	-	-	-	10,300	-
Physical Environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	655,911	-	-	179,327
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	5,364	-	-	21,411	-
Court related	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	48,010	-	-	-
Interest	-	-	-	-	17,163	-	-	-
Total expenditures	\$ 155	\$ 1,321,305	\$ 38,446	\$ 82,069	\$ 2,363,824	\$ 128,171	\$ 31,711	\$ 179,327
Excess (deficiency) of revenue over (under) expenditures	\$ (155)	\$ (190,630)	\$ (6,906)	\$ (13,134)	\$ (185,478)	\$ 20,303	\$ (31,711)	\$ -
OTHER FINANCING SOURCES (USES)								
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ 178,275	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-	-	-	-	-
Transfer from Board of County Commissioners	-	-	-	-	-	-	-	-
Transfers to other governments	-	-	-	-	-	-	-	-
Interfund transfers in	-	11,840	-	-	3,456	4,261	5,350	-
Interfund transfers out	-	(40,000)	-	-	(53,456)	(2,010)	-	-
Total other financing sources (uses)	\$ -	\$ (28,160)	\$ -	\$ -	\$ 128,275	\$ 2,251	\$ 5,350	\$ -
Net change in fund balance	(155)	(218,790)	(6,906)	(13,134)	(57,203)	22,554	(26,361)	-
Fund balance, beginning of year	11,230	389,539	68,533	31,771	946,522	222,206	276,843	-
Fund balance, end of year	\$ 11,075	\$ 170,749	\$ 61,627	\$ 18,637	\$ 889,319	\$ 244,760	\$ 250,482	\$ -

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016

	Clerk of Courts			Property Appraiser	Sheriff			
	Special Revenue Funds							
	Child Support Grant	Employee Benefit Fund	Records Modernization Trust Fund	State Court Fund	Special Assessment Fund	Bulletproof Vests	COPS Hiring	Crime Prevention
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and special assessments	-	-	-	-	40,005	-	-	-
Intergovernmental	43,493	-	-	157,538	-	3,183	30,055	-
Charges for services	-	-	58,810	500,175	-	-	-	-
Fines and forfeitures	-	-	19,880	-	-	-	-	-
Miscellaneous	-	1,334	-	-	-	-	-	-
Interest	-	2	-	291	-	-	-	-
Total revenues	\$ 43,493	\$ 1,336	\$ 78,690	\$ 658,004	\$ 40,005	\$ 3,183	\$ 30,055	\$ -
EXPENDITURES								
Current expenditures								
General government	\$ 6,160	\$ 1,568	\$ 26,189	\$ -	\$ 20,379	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	6,366	33,394	9,872
Physical Environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Court related	19,038	-	-	648,391	-	-	-	-
Capital outlay								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	\$ 25,198	\$ 1,568	\$ 26,189	\$ 648,391	\$ 20,379	\$ 6,366	\$ 33,394	\$ 9,872
Excess (deficiency) of revenue over (under) expenditures	\$ 18,295	\$ (232)	\$ 52,501	\$ 9,613	\$ 19,626	\$ (3,183)	\$ (3,339)	\$ (9,872)
OTHER FINANCING SOURCES (USES)								
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-	-	-	-	-
Transfer from Board of County Commissioners	-	-	-	-	-	-	-	9,872
Transfers to other governments	-	-	-	(9,613)	-	-	-	-
Interfund transfers in	-	-	-	-	-	3,183	3,339	-
Interfund transfers out	-	-	-	-	(19,626)	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ (9,613)	\$ (19,626)	\$ 3,183	\$ 3,339	\$ 9,872
Net change in fund balance	18,295	(232)	52,501	-	-	-	-	-
Fund balance, beginning of year	12,637	2,515	16,840	-	-	-	-	-
Fund balance, end of year	\$ 30,932	\$ 2,283	\$ 69,341	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016

	Sheriff							
	Special Revenue Funds							
	Domestic Violence	EMPA / EMPG Grant	EMPA Hazardous Analysis	Federal Forfeiture	FEMA	Firing Range	Florida Sheriff's Association	Inmate Welfare
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and special assessments	-	-	-	-	-	-	-	-
Intergovernmental	-	166,384	-	-	42,900	-	350	-
Charges for services	-	-	2,666	-	-	38,587	-	214,817
Fines and forfeitures	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Interest	-	-	-	5	-	13	-	1,878
Total revenues	\$ -	\$ 166,384	\$ 2,666	\$ 5	\$ 42,900	\$ 38,600	\$ 350	\$ 216,695
EXPENDITURES								
Current expenditures								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	6,840	190,890	3,127	-	42,900	40,268	271	34,880
Physical Environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-
Capital outlay								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	\$ 6,840	\$ 190,890	\$ 3,127	\$ -	\$ 42,900	\$ 40,268	\$ 271	\$ 34,880
Excess (deficiency) of revenue over (under) expenditures	\$ (6,840)	\$ (24,506)	\$ (461)	\$ 5	\$ -	\$ (1,668)	\$ 79	\$ 181,815
OTHER FINANCING SOURCES (USES)								
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-	-	-	-	-
Transfer from Board of County Commissioners	6,840	24,506	-	-	-	-	-	-
Transfers to other governments	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	461	-	-	-	-	-
Interfund transfers out	-	-	-	-	-	-	(79)	-
Total other financing sources (uses)	\$ 6,840	\$ 24,506	\$ 461	\$ -	\$ -	\$ -	\$ (79)	\$ -
Net change in fund balance	-	-	-	5	-	(1,668)	-	181,815
Fund balance, beginning of year	-	-	-	9,682	-	19,952	-	397,322
Fund balance, end of year	\$ -	\$ -	\$ -	\$ 9,687	\$ -	\$ 18,284	\$ -	\$ 579,137

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016

	Sheriff							
	Special Revenue Funds							
	JAG / Byrne	JAG Direct I	Law Enforcement Trust	Litter Control Parks & Recreation	Litter Control Transfield	Moving Violations	School Resource Officer	Teen Driving Challenge
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and special assessments	-	-	-	-	-	-	-	-
Intergovernmental	21,646	4,365	-	-	29,928	-	204,833	9,135
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	11,204	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Interest	-	-	337	-	-	-	-	-
Total revenues	\$ 21,646	\$ 4,365	\$ 11,541	\$ -	\$ 29,928	\$ -	\$ 204,833	\$ 9,135
EXPENDITURES								
Current expenditures								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	21,646	45	22,853	55,023	53,735	-	284,899	9,135
Physical Environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-
Capital outlay								
General government	-	-	-	-	-	-	-	-
Public safety	-	4,320	9,865	-	-	9,755	-	-
Physical Environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	\$ 21,646	\$ 4,365	\$ 32,718	\$ 55,023	\$ 53,735	\$ 9,755	\$ 284,899	\$ 9,135
Excess (deficiency) of revenue over (under) expenditures	\$ -	\$ -	\$ (21,177)	\$ (55,023)	\$ (23,807)	\$ (9,755)	\$ (80,066)	\$ -
OTHER FINANCING SOURCES (USES)								
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-	-	-	-	-
Transfer from Board of County Commissioners	-	-	-	55,023	-	9,755	-	-
Transfers to other governments	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	-	-	23,807	-	80,066	-
Interfund transfers out	-	-	(44,272)	-	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ (44,272)	\$ 55,023	\$ 23,807	\$ 9,755	\$ 80,066	\$ -
Net change in fund balance	-	-	(65,449)	-	-	-	-	-
Fund balance, beginning of year	-	-	142,384	-	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 76,935	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016

	Sheriff						Supervisor of Elections	
	Special Revenue Funds							
	Wakulla County Coalition for Youth							
	US Forestry	US Marshalls	VOCA	Youth	1 Cent Sales Tax	\$2 Training	Voting Grants	Totals
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,003,657
Licenses, permits and special assessments	-	-	-	-	-	-	-	1,179,301
Intergovernmental	2,640	1,849	89,101	8,736	-	-	4,597	1,700,427
Charges for services	-	-	-	-	-	-	-	1,278,556
Fines and forfeitures	-	-	-	-	-	-	-	96,945
Miscellaneous	-	-	-	-	-	-	-	110,548
Interest	-	-	-	-	-	-	-	6,826
Total revenues	\$ 2,640	\$ 1,849	\$ 89,101	\$ 8,736	\$ -	\$ -	\$ 4,597	\$ 6,376,260
EXPENDITURES								
Current expenditures								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,070	\$ 64,352
Public safety	2,958	1,849	98,252	8,736	33,426	14,167	-	2,474,392
Physical Environment	-	-	-	-	-	-	-	20,000
Transportation	-	-	-	-	-	-	-	1,739,447
Economic environment	-	-	-	-	-	-	-	155
Human services	-	-	-	-	-	-	-	38,446
Culture and recreation	-	-	-	-	-	-	-	223,468
Court related	-	-	-	-	-	-	-	814,901
Capital outlay								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	93,740	-	-	293,699
Physical Environment	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	835,238
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	46,903
Court related	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	145,700
Interest	-	-	-	-	-	-	-	40,747
Total expenditures	\$ 2,958	\$ 1,849	\$ 98,252	\$ 8,736	\$ 127,166	\$ 14,167	\$ 5,070	\$ 6,737,448
Excess (deficiency) of revenue over (under) expenditures	\$ (318)	\$ -	\$ (9,151)	\$ -	\$ (127,166)	\$ (14,167)	\$ (473)	\$ (361,188)
OTHER FINANCING SOURCES (USES)								
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178,275
Debt proceeds	-	-	-	-	-	-	-	-
Transfer from Board of County Commissioners	-	-	-	-	127,166	14,167	-	247,329
Transfers to other governments	-	-	-	-	-	-	-	(9,613)
Interfund transfers in	318	-	9,151	-	-	-	473	367,010
Interfund transfers out	-	-	-	-	-	-	-	(418,347)
Total other financing sources (uses)	\$ 318	\$ -	\$ 9,151	\$ -	\$ 127,166	\$ 14,167	\$ 473	\$ 364,654
Net change in fund balance	-	-	-	-	-	-	-	3,466
Fund balance, beginning of year	-	-	-	-	-	-	-	3,101,504
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,104,970

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 September 30, 2016

	Board of County Commissioners	Clerk of Court	Property Appraiser	Sheriff					
	Wilderness Coast Library	Collections Trust	Agency	Donated Funds	Individual Depository	Inmate Trust	Seized Funds	Suspense	Ounce Of Prevention
ASSETS									
Cash and cash equivalents	\$ 70,476	\$ 412,716	\$ -	\$ 16,003	\$ 210,668	\$ 32,897	\$ 8,933	\$ 7,720	\$ -
Accounts receivable, net	-	-	-	-	-	-	-	-	21,665
Due from individuals	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	257	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-	-
Other current charges	-	-	-	-	-	-	-	-	-
Total assets	\$ 70,476	\$ 412,716	\$ -	\$ 16,260	\$ 210,668	\$ 32,897	\$ 8,933	\$ 7,720	\$ 21,665
LIABILITIES									
Liabilities									
Accounts payable	\$ -	\$ 557	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-	-	-
Due to individuals	-	251,755	-	-	-	22,540	-	7,720	-
Due to other funds	-	79,489	-	-	210,668	10,357	-	-	21,665
Due to other governmental units	-	80,915	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-	-
Other current liabilities	70,476	-	-	16,260	-	-	8,933	-	-
Total liabilities	\$ 70,476	\$ 412,716	\$ -	\$ 16,260	\$ 210,668	\$ 32,897	\$ 8,933	\$ 7,720	\$ 21,665
Total net assets	-	-	-	-	-	-	-	-	-
Total liabilities and net assets	\$ 70,476	\$ 412,716	\$ -	\$ 16,260	\$ 210,668	\$ 32,897	\$ 8,933	\$ 7,720	\$ 21,665

See notes to financial statements

WAKULLA COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
September 30, 2016

	Supervisor of Elections		Tax Collector						
	Agency	Bankruptcy	Boating & Occupational License	Delinquent Tax	Hunting & Fishing	Tag	Tax	Tax Escrow	Total
ASSETS									
Cash and cash equivalents	\$ -	\$ 22,623	\$ 17,843	\$ 1,656	\$ 676	\$ 52,880	\$ 499	\$ 286,437	\$ 1,142,027
Accounts receivable, net	-	-	-	-	-	-	-	-	21,665
Due from individuals	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	257
Due from other governmental units	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-	-
Other current charges	-	-	-	-	-	-	-	-	-
Total assets	\$ -	\$ 22,623	\$ 17,843	\$ 1,656	\$ 676	\$ 52,880	\$ 499	\$ 286,437	\$ 1,163,949
LIABILITIES									
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557
Accrued liabilities	-	-	-	-	-	-	-	-	-
Due to individuals	-	-	-	1,598	-	-	-	57	283,670
Due to other funds	-	-	17,641	58	-	15,240	483	91	355,692
Due to other governmental units	-	-	202	-	676	37,640	-	286,289	405,722
Unearned revenues	-	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-	-
Other current liabilities	-	22,623	-	-	-	-	16	-	118,308
Total liabilities	\$ -	\$ 22,623	\$ 17,843	\$ 1,656	\$ 676	\$ 52,880	\$ 499	\$ 286,437	\$ 1,163,949
Total net assets	-	-	-	-	-	-	-	-	-
Total liabilities and net assets	\$ -	\$ 22,623	\$ 17,843	\$ 1,656	\$ 676	\$ 52,880	\$ 499	\$ 286,437	\$ 1,163,949

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 September 30, 2016

	Balance Oct. 1, 2015	Additions	Deductions	Balance Sept. 30, 2016
Board of County Commissioners -				
<u>Wilderness Coast Public Library</u>				
Assets				
Cash and cash equivalents	\$ 84,261	\$ 314,744	\$ 328,529	\$ 70,476
Total Assets	\$ 84,261	\$ 314,744	\$ 328,529	\$ 70,476
Liabilities				
Other current liabilities	\$ 84,261	\$ 314,744	\$ 328,529	\$ 70,476
Total Liabilities	\$ 84,261	\$ 314,744	\$ 328,529	\$ 70,476
Clerk of Court -				
<u>Collections Trust Fund</u>				
Assets				
Cash and cash equivalents	\$ 290,343	\$ 7,063,081	\$ 6,940,708	\$ 412,716
Due from individuals	104	520	624	-
Total Assets	\$ 290,447	\$ 7,063,601	\$ 6,941,332	\$ 412,716
Liabilities				
Accounts payable	\$ 547	\$ 2,420,736	\$ 2,420,726	\$ 557
Due to individuals	182,095	1,224,556	1,154,896	251,755
Due to other funds	65,647	1,090,110	1,076,268	79,489
Due to other governmental units	42,158	2,328,199	2,289,442	80,915
Total Liabilities	\$ 290,447	\$ 7,063,601	\$ 6,941,332	\$ 412,716
Sheriff -				
<u>DONATED FUNDS</u>				
Assets				
Cash and cash equivalents	\$ 32,246	\$ 17,853	\$ 34,096	\$ 16,003
Due from other funds	648	6,775	7,166	257
Total Assets	\$ 32,894	\$ 24,628	\$ 41,262	\$ 16,260
Liabilities				
Other current liabilities	\$ 32,894	\$ 24,628	\$ 41,262	\$ 16,260
Total Liabilities	\$ 32,894	\$ 24,628	\$ 41,262	\$ 16,260
<u>INDIVIDUAL DEPOSITORY</u>				
Assets				
Cash and cash equivalents	\$ 144,405	\$ 1,916,321	\$ 1,850,058	\$ 210,668
Total Assets	\$ 144,405	\$ 1,916,321	\$ 1,850,058	\$ 210,668
Liabilities				
Due to other funds	\$ 144,405	\$ 1,916,321	\$ 1,850,058	\$ 210,668
Total Liabilities	\$ 144,405	\$ 1,916,321	\$ 1,850,058	\$ 210,668

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 September 30, 2016

	Balance Oct. 1, 2015	Additions	Deductions	Balance Sept. 30, 2016
Sheriff continued -				
<u>INMATE TRUST</u>				
Assets				
Cash and cash equivalents	\$ 27,112	\$ 398,145	\$ 392,360	\$ 32,897
Total Assets	\$ 27,112	\$ 398,145	\$ 392,360	\$ 32,897
Liabilities				
Due to individuals	\$ 18,364	\$ 273,193	\$ 269,017	\$ 22,540
Due to other funds	8,748	124,952	123,343	10,357
Total Liabilities	\$ 27,112	\$ 398,145	\$ 392,360	\$ 32,897
<u>SEIZED FUNDS</u>				
Assets				
Cash and cash equivalents	\$ 8,664	\$ 11,347	\$ 11,078	\$ 8,933
Total Assets	\$ 8,664	\$ 11,347	\$ 11,078	\$ 8,933
Liabilities				
Other current liabilities	\$ 8,664	\$ 11,347	\$ 11,078	\$ 8,933
Total Liabilities	\$ 8,664	\$ 11,347	\$ 11,078	\$ 8,933
<u>SUSPENSE</u>				
Assets				
Cash and cash equivalents	\$ 9,122	\$ 53,624	\$ 55,026	\$ 7,720
Total Assets	\$ 9,122	\$ 53,624	\$ 55,026	\$ 7,720
Liabilities				
Due to individuals	\$ 9,122	\$ 53,624	\$ 55,026	\$ 7,720
Total Liabilities	\$ 9,122	\$ 53,624	\$ 55,026	\$ 7,720
<u>OUNCE OF PREVENTION</u>				
Assets				
Accounts receivable, net	\$ 26,219	\$ 176,372	\$ 180,926	\$ 21,665
Total Assets	\$ 26,219	\$ 176,372	\$ 180,926	\$ 21,665
Liabilities				
Accounts payable	\$ 910	\$ 176,372	\$ 177,282	\$ -
Due to other funds	25,309	-	3,644	21,665
Total Liabilities	\$ 26,219	\$ 176,372	\$ 180,926	\$ 21,665
Tax Collector -				
<u>Taxes & Licenses</u>				
Assets				
Cash and cash equivalents	\$ 381,862	\$ 58,133,943	\$ 58,133,191	\$ 382,614
Total Assets	\$ 381,862	\$ 58,133,943	\$ 58,133,191	\$ 382,614
Liabilities				
Accounts payable	\$ -	\$ 22,884,061	\$ 22,884,061	\$ -
Due to individuals	973	6,265,208	6,264,526	1,655
Due to other funds	36,293	366,513	369,293	33,513
Due to other governmental units	321,607	27,627,318	27,624,118	324,807
Other current liabilities	22,989	990,843	991,193	22,639
Total Liabilities	\$ 381,862	\$ 58,133,943	\$ 58,133,191	\$ 382,614

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
September 30, 2016**

	Balance Oct. 1, 2015	Additions	Deductions	Balance Sept. 30, 2016
TOTAL ALL AGENCY FUNDS				
Assets				
Cash and cash equivalents	\$ 978,015	\$ 67,909,058	\$ 67,745,046	\$ 1,142,027
Accounts receivable, net	26,219	176,372	180,926	21,665
Due from individuals	104	520	624	-
Due from other funds	648	6,775	7,166	257
Total Assets	\$ 1,004,986	\$ 68,092,725	\$ 67,933,762	\$ 1,163,949
Liabilities				
Accounts payable	\$ 1,457	\$ 25,481,169	\$ 25,482,069	\$ 557
Due to individuals	210,554	7,816,581	7,743,465	283,670
Due to other funds	280,402	3,497,896	3,422,606	355,692
Due to other governmental units	363,765	29,955,517	29,913,560	405,722
Other current liabilities	148,808	1,341,562	1,372,062	118,308
Total Liabilities	\$ 1,004,986	\$ 68,092,725	\$ 67,933,762	\$ 1,163,949

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

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
Wakulla 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 Wakulla County, Florida, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise Taylor County, Florida's basic financial statements, and have issued our report thereon dated May 15, 2017.

Internal Control Over Financial Reporting

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

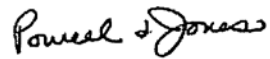
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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



POWELL & JONES
Certified Public Accountants
May 15, 2017

**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 THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited Wakulla County, Florida's compliance with the types of compliance requirements described in *OMB Compliance Supplement* that could have a direct and material effect on each of Wakulla County, Florida's major federal programs for the fiscal year ended September 30, 2016. Wakulla County, Florida's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Wakulla 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the Wakulla 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 the Wakulla County, Florida's compliance.

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 Wakulla County, Florida's compliance.

Opinion on Each Major Federal Program

In our opinion, Wakulla 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, 2016.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Uniform Guidance.

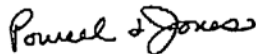
Report on Internal Control Over Compliance

Management of Wakulla 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 Wakulla 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 the Uniform Guidance, 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 Wakulla 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



POWELL & JONES
Certified Public Accountants
May 15, 2017

**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
Wakulla County, Florida**

Report on Compliance for Each Major State Project

We have audited the compliance of Wakulla County, Florida with the types of compliance requirements described in the State of Florida, Department of Financial Services State Projects Compliance and Supplement, that could have a direct and material effect on its major State project for the year ended September 30, 2016. Wakulla County, Florida's major State project is identified in the summary of auditors' results section of the accompanying Schedule of Findings.

Management's Responsibility

Wakulla 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 Wakulla 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 Wakulla 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 Wakulla County, Florida's compliance.

Opinion on Each Major State Project

In our opinion, Wakulla 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 project for the fiscal year ended September 30, 2016.

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.

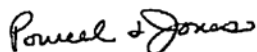
Internal Control Over Compliance

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



POWELL & JONES
Certified Public Accountants
May 15, 2017

WAKULLA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2016

Federal and State Grantor/Pass Through Grantor Program Title	CFDA #	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES
<u>FEDERAL AWARDS</u>						
U.S. Department of Agriculture, Rural Development Water & Waste Disposal Loan & Grant Program	10.770	00-07	\$ 3,066,900	\$ -	\$ 1,887,212	\$ 1,887,212
Water & Waste Disposal Loan & Grant Program	10.770	00-09	930,000	-	-	-
			\$ 3,996,900	\$ -	\$ 1,887,212	\$ 1,887,212
U.S. Department of Agriculture, Emergency Watershed Protection Program August 2015 Storm - EWP - Hillardville Road	10.923	68-4209-15-167	\$ 34,000	\$ -	\$ 29,519	\$ 39,869
U.S. Department of Housing and Urban Development passed through Florida Department of Economic Opportunity Community Development Block Grant - Housing Rehabilitation	14.228	16DB-OK-02-75-01-H02	\$ 750,000	-	\$ 33,740	\$ 33,740
Bureau of Justice Assistance/Office of Criminal Justice Grants passed through Florida Office of the Attorney General Victims of Crime Act (VOCA) Grant	16.575	V14001 Amendment 1	\$ 97,698	\$ -	\$ 89,101	\$ 89,101
Bureau of Justice Assistance/Office of Criminal Justice Grants passed through Florida Department of Law Enforcement Bulletproof Vest Grant	16.607	FY2015	\$ 6,496	\$ 2,112	\$ 3,183	\$ 3,183
Bulletproof Vest Grant	16.607	FY2017	11,370	-	-	-
E. Byrne Memorial Justice Assistance Grant	16.738	2016-JAGC-WAKU-1-H3-116	21,646	-	21,646	21,646
E. Byrne Memorial Justice Assistance Grant	16.738	2015-JAGD-WAKU-1-H4-089	4,365	-	4,365	4,365
			\$ 43,877	\$ 2,112	\$ 29,194	\$ 29,194
U.S. Department of Justice COPS Hiring Program	16.810	2012-UM-WX-0056	\$ 450,274	\$ 368,400	\$ 30,055	\$ 30,055
U.S. Department of Treasury, RESTORE Act Restore Act Direct Component - Planning Assistance Grant for Multi-Year Implementation Plan Development	21.015	GR-RDC-16-005-055240	\$ 436,749	\$ -	\$ 8,132	\$ 8,132
U.S. Elections Assistance Commission Help America Vote Act passed through State of Florida Division of Elections Federal Election Activities Grant	90.401	MOA# 2014-2015-0001-WAK	\$ 4,651	\$ 1,497	\$ 3,153	\$ 3,856
Federal Election Activities Grant	90.401	MOA# 2015-2016-0001-WAK	3,154	-	1,214	1,214
Voting Systems Assitance Grant	90.401	MOA# 2015-2016-0006-WAK	69,696	-	-	-
			\$ 77,501	\$ 1,497	\$ 4,367	\$ 5,070

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

WAKULLA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2016

<u>Federal and State Grantor/Pass Through Grantor</u> <u>Program Title</u>	<u>CFDA #</u>	<u>GRANT #</u>	<u>PROGRAM</u> <u>OR AWARD</u> <u>AMOUNT</u>	<u>REPORTED IN</u> <u>PRIOR YEARS</u>	<u>REVENUES</u> <u>RECOGNIZED</u>	<u>EXPENDITURES</u>
FEDERAL AWARDS continued						
U.S. Department of Homeland Security passed through the Florida Division of Emergency Management Hurricane Hermine	97.036	16-PA-00-02-75-02-016	N/A	\$ -	\$ 74,564	\$ 74,564
U.S. Department of Homeland Security passed through the Florida Division of Emergency Management Hazard Mitigation Grant - Panacea Sewer Drainage	97.039	15-HM-6B-02-75-01-143	\$ 403,125	\$ 37,500	\$ 13,500	\$ 18,000
U.S. Department of Homeland Security passed through the Florida Division of Emergency Management Emergency Management Performance Grant	97.042	16-FG-5A-02-75-01-132	\$ 56,246	\$ 18,007	\$ 38,239	\$ 38,239
Emergency Management Performance Grant	97.042	17-FG-P9-02-75-01-139	56,246	-	20,585	20,585
			\$ 112,492	\$ 18,007	\$ 58,824	\$ 58,824
U.S. Department of Health and Human Services, Agency for Children and Families, Office of Child Support Enforcement passed through Florida Department of Revenue Service in Process Child Support Enforcement Grant	93.563	CST65	N/A	\$ -	\$ 1,544	\$ 1,544
Title IV-D - Child Support Enforcement Grant	93.563	COC65	N/A	-	43,493	43,493
			\$ -	\$ -	\$ 45,038	\$ 45,038
Total federal awards			\$ 6,402,615	\$ 427,516	\$ 2,303,245	\$ 2,318,797

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2016

Federal and State Grantor/Pass Through Grantor Program Title	CSFA #	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES
<u>STATE FINANCIAL ASSISTANCE</u>						
Visit Florida - Florida Tourism Industry Marketing Corp., Small Business Grant Program						
Visit Florida - Wakulla Media Plan	31.006	Summer 2015	\$ 5,000	\$ -	\$ 1,625	\$ 3,250
Florida Division of Emergency Management						
Emergency Management Program	31.063	16-BG-83-02-75-01-065	\$ 105,806	\$ 19,022	\$ 86,784	\$ 86,784
Emergency Management Program	31.063	17-BG-83-02-75-01-072	105,086	-	20,776	20,776
Hazardous Analysis	31.067	15-CP-11-02-75-23-198	2,666	-	2,666	2,666
Hazardous Analysis	31.067	17-CP-11-02-75-23-203	2,576	-	461	461
			<u>\$ 216,134</u>	<u>\$ 19,022</u>	<u>\$ 110,687</u>	<u>\$ 110,687</u>
Florida Department of Environmental Protection						
Small County Consolidated Solid Waste Grant	37.012	SC631	\$ 90,909	\$ -	\$ 66,856	\$ 66,856
Florida Department of Environmental Protection passed through Northwest Florida Water Management District Statewide Surface Water Restoration & Wastewater Projects						
Wakulla Gardens Wastewater Retrofit	37.039	15-020	\$ 6,540,000	\$ 11,213	\$ 203,283	\$ 203,283
Florida Department of Environmental Protection passed through Northwest Florida Water Management District Florida Springs Grant Program						
Magnolia Gardens Wastewater Retrofit	37.052	15-020	\$ 3,860,000	\$ 11,213	\$ 209,533	\$ 209,533
Florida Department of Agriculture and Consumer Services, Division of Agriculture Environmental Services						
Mosquito Control State Aid	42.003	022273	\$ 31,540	\$ -	\$ 31,540	\$ 38,446
Florida Department of State, Division of Library Information Services						
Wilderness Coast Public Libraries	45.030	16-ST-94	\$ 314,744	\$ -	\$ 314,744	\$ 328,529
State Aid to Libraries Operating/Equalization Grant	45.030	15-ST-98	94,463	55,334	39,129	39,129
State Aid to Libraries Operating/Equalization Grant	45.030	16-ST-97	78,186	-	78,186	78,429
			<u>\$ 487,393</u>	<u>\$ 55,334</u>	<u>\$ 432,059</u>	<u>\$ 446,087</u>
Florida Housing Finance Corporation, State Housing Initiatives Partnership						
SHIP Funds 2014-2015	40.901	2014-2015	\$ 350,000	\$ 175,492	\$ 174,508	\$ 174,508
SHIP Funds 2015-2016	40.901	2015-2016	350,000	-	198,970	198,970
			<u>\$ 700,000</u>	<u>\$ 175,492</u>	<u>\$ 373,478</u>	<u>\$ 373,478</u>

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

WAKULLA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2016

Federal and State Grantor/Pass Through Grantor Program Title	CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES
STATE FINANCIAL ASSISTANCE continued						
Florida Department of Transportation Airport Environmental Assessment	55.004	ARQ97	\$ 181,818	\$ -	\$ 116,707	\$ 116,707
Florida Department of Transportation, Small County Road Assistance Program						
State Road 61 - Shadeville Hwy to Wakulla Springs Rd.	55.016	43325015401	\$ 2,000,165	\$ -	\$ 179,327	\$ 179,327
Martin Luther King Jr. Road - CR 365 to SR 30	55.016	43669115401	1,509,209	-	-	-
			\$ 3,509,374	\$ -	\$ 179,327	\$ 179,327
Florida Department of Health, Division of Emergency, Preparation & Communication Support, Bureau of Emergency Medical Oversight						
Emergency Medical Services Matching Awards	64.003	M4286	\$ 117,474	\$ -	\$ 117,474	\$ 156,824
Florida Department of Health, Emergency Medical Services Program						
Emergency Medical Services County Grant Awards	64.005	C3065	\$ 4,174	\$ 4,173	\$ 1	\$ 1
Emergency Medical Services County Grant Awards	64.005	C4065	3,953	-	3,953	4,386
		FDOH sub-total	\$ 8,127	\$ 4,173	\$ 3,953	\$ 4,386
Florida Department of Management Services, Wireless 911 Board						
Rural County E911 Grant	72.001	S6-13-12-6	\$ 55,506	\$ -	\$ 55,506	\$ 55,506
Rural County E911 Grant	72.001	15-10-17	18,759	-	18,759	18,759
Rural County E911 Grant	72.001	16-04-21	25,569	-	25,569	25,569
		FDMS sub-total	\$ 99,834	\$ -	\$ 99,834	\$ 99,834
Florida Fish & Wildlife Conservation Commission, Florida Boating Improvement Program						
Shell Point Public Access Boat Launch Facility	77.006	14073	\$ 735,000	\$ 237,200	\$ 497,800	\$ 529,718
Total state awards			\$ 16,582,603	\$ 513,646	\$ 2,444,156	\$ 2,538,414
Total Federal and State Awards (for reference only)			\$ 22,985,219	\$ 941,162	\$ 4,747,401	\$ 4,857,212

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

WAKULLA COUNTY, FLORIDA

Notes to Schedule of Expenditures of Federal Awards And State Financial Assistance September 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the Single Audit Report of Wakulla 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 Uniform Guidance.

A. Reporting Entity

The reporting entity consists of Wakulla 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 the timing of 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 County uses the modified accrual basis of accounting to report its grant revenues and related expenditures 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.

WAKULLA COUNTY, FLORIDA

SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2016

Summary of Auditor's Results

A. Financial Statements

- | | |
|--|---------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| • Material weakness identified? | No |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
| 3. Noncompliance material to financial statements: | No |

B. Federal Awards

- | | |
|--|---------------|
| 1. Internal control over major programs: | |
| • Material weakness identified? | No |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
| 2. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with <i>Title 2 U.S. Code of Federal Regulations Part 200</i> ? | No |

4. Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.770	<u>U.S. Department of Agriculture</u> Water & Waste Disposal Loan and Grant Program

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| 6. Auditee qualified as low-risk auditee? | Yes |
| 7. Financial Statement Findings: | None |

WAKULLA COUNTY, FLORIDA

SCHEDULE OF FINDINGS

For the Fiscal Year Ended September 30, 2016

C. State Financial Assistance

1. Internal control over major programs:

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

2. Type of auditor's report issued on compliance for major programs: Unmodified

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

4. Identification of major projects:

<u>CSFA Number</u>	<u>Name of State Projects</u>
40.901	<u>Florida Housing Finance Corporation</u> State Housing Initiatives Partnership
45.030	<u>Florida Department of State</u> Division of Library Information Services State Aid to Libraries Operating/Equalization Grant
77.06	<u>Florida Fish and Wildlife Conservation Commission</u> Florida Boating Improvement Program

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

6. Financial Statement Findings: None

7. State Financial Assistance Findings and Questioned Costs: None

MANAGEMENT LETTER

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

We have audited the financial statements of Wakulla County, Florida (the County), as of and for the year ended September 30, 2016, and have issued our report thereon dated May 15, 2017.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to each Major Federal Awards Program and State Financial Assistance Project, and Schedule of Findings. Disclosures in those reports and schedule, which are dated May 15, 2017, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following items be addressed in this letter.

BOARD OF COUNTY COMMISSIONERS

PRIOR YEAR FINDINGS

The prior year finding regarding late deposit of cash receipts was substantially corrected in the current year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

CLERK OF THE CIRCUIT COURT

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

PROPERTY APPRAISER

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SHERIFF

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SUPERVISOR OF ELECTIONS

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

TAX COLLECTOR

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

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 report of Wakulla County, Florida, for the year ended September 30, 2016.

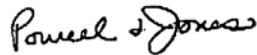
Financial Emergency Status—We determined that the County had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(g)(6)c. and 10.556), 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.

Deteriorating Financial Conditions – We noted no deteriorating financial conditions 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
May 15, 2017

INDEPENDENT ACCOUNTANT'S REPORT

To The Board of County Commissioners
and Constitutional Officers
Wakulla County, Florida

We have examined the Wakulla County, Florida's (the County) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. We have also examined the Clerk of the Circuit Court's (Clerk's) compliance with Sections 28.35, 28.36, and 61.181, *Florida Statutes* during the fiscal year ended September 30, 2016:

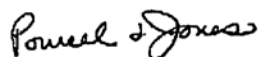
We also examined the County's compliance with Section 365.172(10) *Florida Statutes* and requirements specified by the E911 Board grant and special disbursement programs. These laws require that E911 fee revenues, interest, and E911 grant funding be used to pay for authorized expenditures as specified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

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

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

In our opinion, Wakulla County, Florida and the Wakulla County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of Wakulla 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
May 15, 2017



May 16, 2017

Powell & Jones,
Certified Public Accountants
1359 SE Main Blvd.
Lake City, Florida. 32025

**BOARD OF
COUNTY COMMISSIONERS**

Ralph Thomas
Chairman, District 1

Mike Stewart
Vice-Chairman, District 3

Randy Merritt
District 2

Jerry Moore
District 4

Charles Hess, Ph.D.
District 5

J. David Edwards
County Administrator

Heather J. Encinosa
County Attorney
(850) 224-4070

Dear Sirs,

I am providing this letter in connection with your audit of the financial statements of the Wakulla County Board of County Commissioners and the duly appointed Constitutional Officers as of September 30, 2016, and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present accurately and fairly, in all material respects, the financial position of Wakulla County. I confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with generally accepted accounting principles in the United States of America. My office is also responsible for adopting sound accounting policies, establishing and maintaining effective internal controls, and preventing and detecting fraud in a timely manner.

In your letter, you note the following regarding prior and current fiscal year findings for the financial statements of Wakulla County:

PRIOR YEAR FINDINGS

2015-1 – Cash Receipts

Finding: "From our audit of selected cash receipts we found instances in several Board Departments where receipts were deposited seven to twenty-nine days after being received."

Recommendation: "To increase security and accountability over cash receipts we recommend that all receipts be deposited daily, if possible, and always by the end of the week received."

Response: We concur with your finding. We have taken the following steps to resolve this finding in the current year:

- reminded all department heads of our current cash receipts policy that requires deposits to be made on a daily basis but no later than the end of the week
- reviewed and updated our cash receipts policy where needed to conform with current banking practices and trends
- implemented a cash receipts monitoring tool whereby the Clerk's Office sends a weekly report to County Administration on the timeliness of cash receipts.

Status: This prior year finding was corrected during the 2015/2016 fiscal year.

Administration – Human Resources
Post Office Box 1263
Crawfordville, FL 32326
(850) 926-0919 x 707
(850) 926-0940 FAX

CURRENT YEAR FINDINGS

No findings for current Fiscal Year Ended September 30, 2016.

I am pleased with the professional relationship we have established with your team of auditors and we look forward to working with you in the future.

Sincerely,



David Edwards, County Administrator
Wakulla County

WAKULLA COUNTY, FLORIDA

END OF ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2016

WAKULLA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT, COMPTROLLER &
CLERK TO THE BOARD OF COUNTY COMMISSIONERS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2016



WAKULLA COUNTY, FLORIDA

**CLERK OF COURT
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2016**

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Powell & Jones
Certified Public Accountants

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

1359 S.W. Main Blvd.
Lake City, Florida 32025
386 / 755-4200
Fax: 386 / 719-5504
powellandjones@bellsouth.net

INDEPENDENT AUDITOR'S REPORT

Honorable Clerk of the Circuit Court
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Clerk of the Circuit Court (the Clerk of the Circuit Court), as of and for the year ended September 30, 2016, 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. Those 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 Clerk of the Circuit Court is part of the reporting entity, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

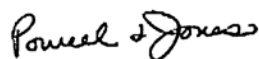
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Clerk of the Circuit Court, as of September 30, 2016, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 15, 2017, on our consideration of the Clerk of the Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk of the Circuit Court' internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
May 15, 2017

WAKULLA COUNTY, FLORIDA

**CLERK OF CIRCUIT COURT
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT
COMBINED BALANCE SHEET - ALL FUND TYPES
September 30, 2016

	Governmental Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	
ASSETS				
Cash and cash equivalents	\$ 15,192	\$ 96,658	\$ 412,716	\$ 524,566
Accounts receivable, net	-	-	-	-
Due from individuals	-	-	-	-
Due from agency funds	12,757	44,920	-	57,677
Due from other funds	3,622	-	-	3,622
Due from other governmental units	-	8,110	-	8,110
Inventories	-	-	-	-
Prepaid expense	8,766	1,834	-	10,600
Other current assets	-	-	-	-
Total assets	\$ 40,337	\$ 151,522	\$ 412,716	\$ 604,575
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	\$ 21,764	\$ 610	\$ 557	\$ 22,931
Accrued liabilities	9,142	11,235	-	20,377
Due to individuals	-	-	251,755	251,755
Due to agency funds	-	-	-	-
Due to other funds	9,371	-	79,489	88,860
Due to other governmental units	-	11,613	80,915	92,528
Unearned revenues	-	25,508	-	25,508
Interest payable	-	-	-	-
Deposits	-	-	-	-
Other current liabilities	60	-	-	60
Total liabilities	\$ 40,337	\$ 48,966	\$ 412,716	\$ 502,019
Fund balance				
Nonspendable				
Inventories	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	8,766	1,834	-	10,600
Restricted	-	69,341	-	69,341
Committed	-	30,932	-	30,932
Assigned	-	2,283	-	2,283
Unassigned	(8,766)	(1,834)	-	(10,600)
Total fund balance	\$ -	\$ 102,556	\$ -	\$ 102,556
Total liabilities and fund balance	\$ 40,337	\$ 151,522	\$ 412,716	\$ 604,575

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**CLERK OF CIRCUIT COURT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-
Intergovernmental	-	201,031	201,031
Charges for services	156,931	558,985	715,916
Fines and forfeitures	-	19,880	19,880
Miscellaneous	5,908	1,334	7,242
Interest	58,886	293	59,179
Total revenue	\$ 221,725	\$ 781,523	\$ 1,003,248
Expenditures			
Current			
General government	\$ 787,550	\$ 33,917	\$ 821,467
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	667,429	667,429
Capital Outlay			
General government	10,479	-	10,479
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	\$ 798,029	\$ 701,346	\$ 1,499,375
Excess (deficiency) of revenues over (under) expenditures	\$ (576,304)	\$ 80,177	\$ (496,127)
Other financing sources			
Sale of equipment	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-
Transfers from Board of County Commissioners	576,304	-	576,304
Transfer to other governments	-	(9,613)	(9,613)
Interfund transfer in	-	-	-
Interfund transfers out	-	-	-
Total other financing sources (uses)	\$ 576,304	\$ (9,613)	\$ 566,691
Net change in fund balance	-	70,564	70,564
Fund balances, beginning of year	-	31,992	31,992
Fund balances, end of year	\$ -	\$ 102,556	\$ 102,556

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT NOTES TO FINANCIAL STATEMENTS September 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The Clerk, 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 Wakulla County, Florida. The Clerk’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Clerk are issued separately to comply with Section 218.39(2), *Florida Statutes* and Rule 10.557 (5) of Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*. This rule requires the Clerk to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Clerk and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America. The financial activities of the Clerk, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

The Clerk of the Circuit Court funds operations as a fee officer and a budget officer pursuant to *Florida Statutes*, Chapters 28, 218 and 129 respectively. As a fee officer, the Clerk collects fees and commissions from certain County activities. As a budget officer, the operations of the Clerk of the Circuit Court relating to the Board of County Commissioners are approved and funded by the Board of County Commissioners and the operations relating to the Circuit and County court

functions are approved and funded by the State of Florida via the Clerk of Court Operation Corporation (CCOC). The budgeted receipts from the Board of County Commissioners are recorded as other financing sources in the Clerk of the Circuit Court's special purpose fund financial statements and as other financing uses in the Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted to the Board of County Commissioners and the State of Florida at year end except for unexpended records modernization monies and net child support grant reimbursements.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented 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 equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Clerk are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Clerk reports the following governmental fund types:

General Fund – The General Fund of the Clerk is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Clerk's Office relating to the Board of County Commissioners and any other resources not required to be accounted for in a separate 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:

- Florida Department of Revenue (FDOR) Child Support Enforcement Grant
- Employee Benefit Fund
- Records Modernization Trust Fund – There are three (3) sub-funds that comprise the RMTF – the \$1.50 Public Records Modernization Trust Fund, the \$1.90 Court Records Modernization Trust Fund and the 10% Court Fine Trust Fund
- State of Florida (SOF) Circuit and County Court Operations

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 modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Clerk considers revenues available if they are collected within 60 days of the current period.

Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 36.5% of the Clerk's funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Clerk; therefore, revenue is recognized based upon the expenditures incurred. Grant revenue is recorded in this manner. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the "susceptible to accrual" criteria are met.

2. Fiduciary Funds

Agency funds are used to account for assets held by the Clerk as an agent for individuals, other County funds, and other governmental units. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Clerk functions purely as an agent for others in the maintenance of these funds. The Clerk reports the following agency fund:

Collections Trust Fund – The Collections Trust Fund is used to account for the collection of court related fees, fines, service charges and court costs and county recording fees, service charges and other miscellaneous revenues that are collected on behalf of and due to individuals, other County funds, local governmental entities or the State of Florida.

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, *Florida Statutes* which requires that budgets be adopted for all funds as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Clerk of Circuit Court's general fund budget for Board of County Commissioner related activity is approved and set by the annually adopted budget of the Board of County Commissioners. The Clerk of Circuit Court's special revenue fund budget for Circuit and County court related activity is approved and set by the annually adopted budget of the State of Florida via the Clerks of Court Operation Corporation (CCOC). All other special revenue fund budgets are adopted by the Clerk consistent with sound financial policies and generally accepted accounting principles.

In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the "Original" budget represents the legally adopted budget on October 1 and the "Final" budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Clerk’s cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as “Cash” on the balance sheet.

E. Inventories – It is the policy of the Clerk of 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 is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight line method. All assets purchased by the Clerk of Circuit Court are reported in the Board of County Commissioner’s General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

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 Clerk and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Clerk and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

<u>Years of Creditable Service</u>	<u>Vacation Leave Earned Monthly</u>	<u>Sick Leave Earned Monthly</u>
1-5	9	8
6-10	11	8
11 +	13	8

Employees may not carry more than 240 hours of annual leave from one calendar year to the next. Any amounts exceeding the 240 hour limit are converted to sick leave. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Clerk’s Office may be compensated for all unused annual leave up to 240 hours and employees with one or more years of service may be compensated for unused sick leave at the rate of ¼ per hour up to a maximum of 240 hours.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (15%). In the governmental funds, this current portion of 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 non-current or long-term portion is the amount estimated to be used in subsequent years (85%). This long-term portion is reported in the Board of County Commissioner's General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates– The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2.DEPOSITS

At fiscal year end, the book amount of the Clerk's deposits was \$524,566. Of the bank balances, \$250,000 was covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, *Florida Statutes*. All Clerk deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

NOTE 3. FIXED ASSETS

The Clerk of Court’s fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Clerk of Court are reported as part of the County’s financial statements and are not reported as part of the Clerk’s financial statements. The value of fixed assets for the Clerk of Court at year end is:

	Beginning Balance <u>Oct. 1, 2015</u>	Additions	Reclassifications / Deletions	Ending Balance <u>Sept. 30, 2016</u>
Fixed Assets				
Furniture and equipment	\$ 118,341	\$ 10,479		\$ 128,820.00
less accumulated depreciation	(102,391)	(8,878)		(111,269.00)
Fixed Assets, net	<u>\$ 15,950</u>	<u>\$ 1,601</u>	<u>\$ -</u>	<u>\$ 17,551</u>

NOTE 4. LONG-TERM LIABILITIES

The Clerk of Court had no capital leases or notes payable during the current year. The long-term liabilities of the Clerk’s Office are associated with employee compensated absences. The balances due at year end are:

	Beginning Balance <u>Oct. 1, 2015</u>	Additions	Reductions	Adjustments	Ending Balance <u>Sept. 30, 2016</u>	Due Within One Year	Interest Paid in Current Year
Long-term liabilities							
Compensated absences	\$ 77,519	\$ 7,846			\$ 85,365	\$ 12,805	\$ -
Total long-term liabilities	<u>\$ 77,519</u>	<u>\$ 7,846</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,365</u>	<u>\$ 12,805</u>	

The Clerk of Court had one operating lease during the current year. The lease is for a postage meter and is \$105.00 per month. The term of the lease is 60 months. The lease was signed in November 2015 (FY15/16) and will end in October 2020 (FY20/21). The annual future lease obligations are:

Year Ending September 30,	Annual Obligation
2017	\$ 1,260
2018	1,260
2019	1,260
2020	1,260
2021	105
Total	<u>\$ 5,145</u>

NOTE 5. RISK MANAGEMENT

The Clerk of Circuit Court is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Clerk’s Office directly purchases insurance and participates in the risk management program through Wakulla County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board of County Commissioners obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker's Compensation
- Automobile Liability

Worker's compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Board of County Commissioner's experience for these type risks. The Board of County Commissioners participates in the Florida Association of Counties Trust (FACT), a public entity risk pool, for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to \$1,000,000 for each claim. There were no pending legal actions against the Clerk's Office as of the fiscal year end.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Clerk's Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238, *Florida Statutes*, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Clerk of Circuit Court is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. The contribution rates, as a percent of gross salary, at September 30, 2016 were as follows:

FRS Contribution Rates							
Class Description	October 1, 2015 - June 30, 2016			July 1, 2016 - September 30, 2016			% Change
	Employer Contribution	Employee Contribution	Total Contribution	Employer Contribution	Employee Contribution	Total Contribution	
	(A)			(A)			
<u>Regular Class</u>	7.26%	3.00%	10.26%	7.52%	3.00%	10.52%	0.26%
<u>Senior Management Service Class</u>	21.43%	3.00%	24.43%	21.77%	3.00%	24.77%	0.34%
<u>Special Risk Class</u>	22.04%	3.00%	25.04%	22.57%	3.00%	25.57%	0.53%
<u>Special Risk Administrative Support Class</u>	32.95%	3.00%	35.95%	28.06%	3.00%	31.06%	-4.89%
<u>Elected Officers Class</u>	42.27%	3.00%	45.27%	42.47%	3.00%	45.47%	0.20%
<u>(DROP)</u>	12.88%	N/A	12.88%	12.99%	N/A	12.99%	0.11%
<u>Reemployed Retiree</u>	(B)			(B)			

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .04% for October 1 - June 30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Clerk of Circuit Court's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Clerk. The Clerk's contributions (employer only) to the FRS for the fiscal years ended September 30, 2016, 2015 and 2014 were \$127,754, \$127,202, and \$130,776, respectively, which were equal to the required contributions for each fiscal year.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. 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 regarding Wakulla County's participation in the FRS, which includes the Clerk of Court, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

The Clerk's inter-fund receivables and payables at September 30, 2015 were:

Note 7 - Inter-fund Transfers

Fund	Interfund Receivable	Interfund Payable
Clerk		
General Fund	\$ 16,379	\$ 9,371
Child Support Grant	-	-
Records Modernization Trust Fund	6,639	-
State Court Fund	38,281	-
Agency Collections Fund - Clerk		57,677
Agency Collections Fund - Bocc		21,812
Clerk Total	\$ 61,299	\$ 88,860
Board of County Commissioners		
General Fund	\$ 9,327	\$ 3,622
Court Fees Fund	15,891	
Crime Prevention Fund	5,921	
Road Department Fund	44	
Board of County Commissioners Total	\$ 31,183	\$ 3,622
Total Interfund Receivable / Payable	\$ 92,482	\$ 92,482

NOTE 8. CONTINGENT LIABILITIES

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

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2016, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable 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, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- 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 BOCC typically

through the budgeting process.

- Unassigned – all other spendable amounts.

The Clerk of Court's fund balances at September 30, 2016 are as follows:

<u>Fund Name</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>
General Fund	\$ 8,766	\$ -	\$ -	\$ -	\$ (8,766)
Child Support Grant Fund	-	-	30,932	-	-
Employee Benefit Fund	-	-	-	2,283	-
Records Modernization Trust Fund	-	69,341	-	-	-
State Court Fund	1,834	-	-	-	(1,834)
Total	\$ 10,600	\$ 69,341	\$ 30,932	\$ 2,283	\$ (10,600)

WAKULLA COUNTY, FLORIDA

**CLERK OF CIRCUIT COURT
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amount		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	138,067	138,067	156,931	18,864
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	5,908	5,908
Interest	42,000	42,000	58,886	16,886
Total revenue	\$ 180,067	\$ 180,067	\$ 221,725	\$ 41,658
Expenditures				
Current				
General government	\$ 761,452	\$ 765,698	\$ 787,550	\$ (21,852)
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	10,479	(10,479)
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 761,452	\$ 765,698	\$ 798,029	\$ (32,331)
Excess (deficiency) of revenues over (under) expenditures	\$ (581,385)	\$ (585,631)	\$ (576,304)	\$ 9,327
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-
Transfers from Board of County Commissioners	585,631	585,631	576,304	(9,327)
Transfers to other governments	-	-	-	-
Interfund transfer in	93,500	93,500	-	(93,500)
Interfund transfers out	(97,746)	(93,500)	-	93,500
Total other financing sources (uses)	\$ 581,385	\$ 585,631	\$ 576,304	\$ (9,327)
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amount		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-
Intergovernmental	158,484	232,040	201,031	(31,009)
Charges for services	596,100	522,700	558,985	36,285
Fines and forfeitures	25,000	25,000	19,880	(5,120)
Miscellaneous	4,000	4,000	1,334	(2,666)
Interest	500	377	293	(84)
Total revenue	\$ 784,084	\$ 784,117	\$ 781,523	\$ (2,594)
Expenditures				
Current				
General government	\$ 60,839	\$ 60,839	\$ 33,917	\$ 26,922
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	727,491	702,478	667,429	35,049
Capital Outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 788,330	\$ 763,317	\$ 701,346	\$ 61,971
Excess (deficiency) of revenues over (under) expenditures	\$ (4,246)	\$ 20,800	\$ 80,177	\$ 59,377
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-
Transfers from Board of County Commissioners	-	-	-	-
Transfer to other governments	-	-	(9,613)	(9,613)
Interfund transfer in	52,246	27,200	-	(27,200)
Interfund transfers out	(48,000)	(48,000)	-	(48,000)
Total other financing sources (uses)	\$ 4,246	\$ (20,800)	\$ (9,613)	\$ 11,187
Net change in fund balance	-	-	70,564	70,564
Fund balances, beginning of year	31,992	31,992	31,992	-
Fund balances, end of year	\$ 31,992	\$ 31,992	\$ 102,556	\$ 70,564

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
 September 30, 2016

	Child Support Grant Fund	Employee Benefit Fund	Records Moderization Trust Fund	State Court Fund	Totals
ASSETS					
Cash and cash equivalents	\$ 23,172	\$ 2,283	\$ 63,111	\$ 8,092	\$ 96,658
Accounts receivable, net	-	-	-	-	-
Due from individuals	-	-	-	-	-
Due from agency funds	-	-	6,639	38,281	44,920
Due from other funds	-	-	-	-	-
Due from other governmental units	8,110	-	-	-	8,110
Inventories	-	-	-	-	-
Prepaid expense	-	-	-	1,834	1,834
Other current assets	-	-	-	-	-
Total assets	\$ 31,282	\$ 2,283	\$ 69,750	\$ 48,207	\$ 151,522
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts payable	\$ 350	\$ -	\$ 19	\$ 241	\$ 610
Accrued liabilities	-	-	390	10,845	11,235
Due to individuals	-	-	-	-	-
Due to agency funds	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governmental units	-	-	-	11,613	11,613
Unearned revenues	-	-	-	25,508	25,508
Interest payable	-	-	-	-	-
Deposits	-	-	-	-	-
Other current liabilities	-	-	-	-	-
Total liabilities	\$ 350	\$ -	\$ 409	\$ 48,207	\$ 48,966
Fund balance					
Nonspendable					
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	-	-	-	1,834	1,834
Restricted	-	-	69,341	-	69,341
Committed	30,932	-	-	-	30,932
Assigned	-	2,283	-	-	2,283
Unassigned	-	-	-	(1,834)	(1,834)
Total fund balance	\$ 30,932	\$ 2,283	\$ 69,341	\$ -	\$ 102,556
Total liabilities and fund balance	\$ 31,282	\$ 2,283	\$ 69,750	\$ 48,207	\$ 151,522

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2016

	Child Support Grant Fund	Employee Benefit Fund	Records Moderization Trust Fund	State Court Fund	Totals
Revenue					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-	-
Intergovernmental	43,493	-	-	157,538	201,031
Charges for services	-	-	58,810	500,175	558,985
Fines and forfeitures	-	-	19,880	-	19,880
Miscellaneous	-	1,334	-	-	1,334
Interest	-	2	-	291	293
Total revenue	\$ 43,493	\$ 1,336	\$ 78,690	\$ 658,004	\$ 781,523
Expenditures					
Current					
General government	\$ 6,160	\$ 1,568	\$ 26,189	\$ -	\$ 33,917
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Court related	19,038	-	-	648,391	667,429
Capital Outlay					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Court related	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	\$ 25,198	\$ 1,568	\$ 26,189	\$ 648,391	\$ 701,346
Excess (deficiency) of revenues over (under) expenditures	\$ 18,295	\$ (232)	\$ 52,501	\$ 9,613	\$ 80,177
Other financing sources					
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Transfers from Board of County Commissioners	-	-	-	-	-
Transfer to other governments	-	-	-	(9,613)	(9,613)
Interfund transfer in	-	-	-	-	-
Interfund transfers out	-	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ (9,613)	\$ (9,613)
Net change in fund balance	18,295	(232)	52,501	-	70,564
Fund balances, beginning of year	12,637	2,515	16,840	-	31,992
Fund balances, end of year	\$ 30,932	\$ 2,283	\$ 69,341	\$ -	\$ 102,556

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**CLERK OF CIRCUIT COURT
COMBINING BALANCE SHEET - ALL AGENCY FUNDS
September 30, 2016**

	Collections Trust	Totals
ASSETS		
Cash and cash equivalents	\$ 412,716	\$ 412,716
Accounts receivable, net	-	-
Due from individuals	-	-
Due from other funds	-	-
Due from other governmental units	-	-
Inventories	-	-
Prepaid expense	-	-
Other current assets	-	-
Total assets	\$ 412,716	\$ 412,716
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 557	\$ 557
Accrued liabilities	-	-
Due to individuals	251,755	251,755
Due to other funds	79,489	79,489
Due to other governmental units	80,915	80,915
Unearned revenues	-	-
Interest payable	-	-
Other current liabilities	-	-
Total liabilities	\$ 412,716	\$ 412,716
Fund balance		
Nonspendable		
Inventories	\$ -	\$ -
Prepaid expenses	-	-
Restricted	-	-
Committed	-	-
Assigned	-	-
Unassigned	-	-
Total fund balance	\$ -	\$ -
Total liabilities and fund balance	\$ 412,716	\$ 412,716

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 ALL AGENCY FUNDS
 September 30, 2016

	Beginning Balance			Ending Balance
	Oct. 1, 2015	Additions	Deductions	Sept. 30, 2016
ASSETS				
Cash and cash equivalents	\$ 290,343	\$ 7,063,081	\$ 6,940,708	\$ 412,716
Accounts receivable, net	-	-	-	-
Due from individuals	104	520	624	-
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
Other current assets	-	-	-	-
Total assets	\$ 290,447	\$ 7,063,601	\$ 6,941,332	412,716
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable	\$ 547	\$ 2,420,736	\$ 2,420,726	557
Accrued liabilities	-	-	-	-
Due to individuals	182,095	1,224,556	1,154,896	251,755
Due to other funds	65,647	1,090,110	1,076,268	79,489
Due to other governmental units	42,158	2,328,199	2,289,442	80,915
Unearned revenues	-	-	-	-
Interest payable	-	-	-	-
Other current liabilities	-	-	-	-
Total liabilities	\$ 290,447	\$ 7,063,601	\$ 6,941,332	412,716
Total net assets	-	-	-	-
Total liabilities and net assets	\$ 290,447	\$ 7,063,601	\$ 6,941,332	412,716

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
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
Wakulla 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 Wakulla County Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Wakulla County Clerk of the Circuit Court' basic financial statements, and have issued our report thereon dated May 15, 2017.

Internal Control Over Financial Reporting

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

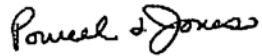
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

POWELL & JONES
Certified Public Accountants
May 15, 2017

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

Honorable Clerk of the Circuit Court
Wakulla County, Florida

We have audited the financial statements of the Wakulla County Clerk of the Circuit Court (Clerk), as of and for the year ended September 30, 2016, and have issued our report thereon dated May 15, 2017. 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), *Florida Statutes*, is in agreement with the accompanying financial statements of Wakulla County, Florida, for the year ended September 30, 2016. The financial statements of the Clerk of Circuit Court are combined with other County agencies in that report.

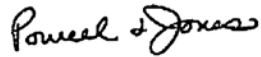
Financial Emergency Status – We have determined that the Clerk did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(1)7c. and 10.556), 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 *Rules of the Auditor General*, Chapter 10.55491)(f).

CONCLUSION

We have reviewed information regarding our audit with the Clerk 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 Clerk's Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

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

POWELL & JONES
Certified Public Accountants
May 15, 2017

INDEPENDENT ACCOUNTANT'S REPORT

To The Clerk of the Circuit Court
Wakulla County, Florida

We have examined the Wakulla County, Florida's Clerk of the Circuit Court's (the Clerk) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. We have also examined the Clerk's compliance with Section 28.35, *Florida Statutes* as to the following during the fiscal year ended September 30, 2016:

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

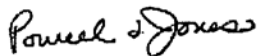
We have also examined the Clerk's compliance with Section 61.18, *Florida Statutes*, regarding a depository for alimony, support and maintenance transactions.

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 Wakulla County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of Wakulla 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.

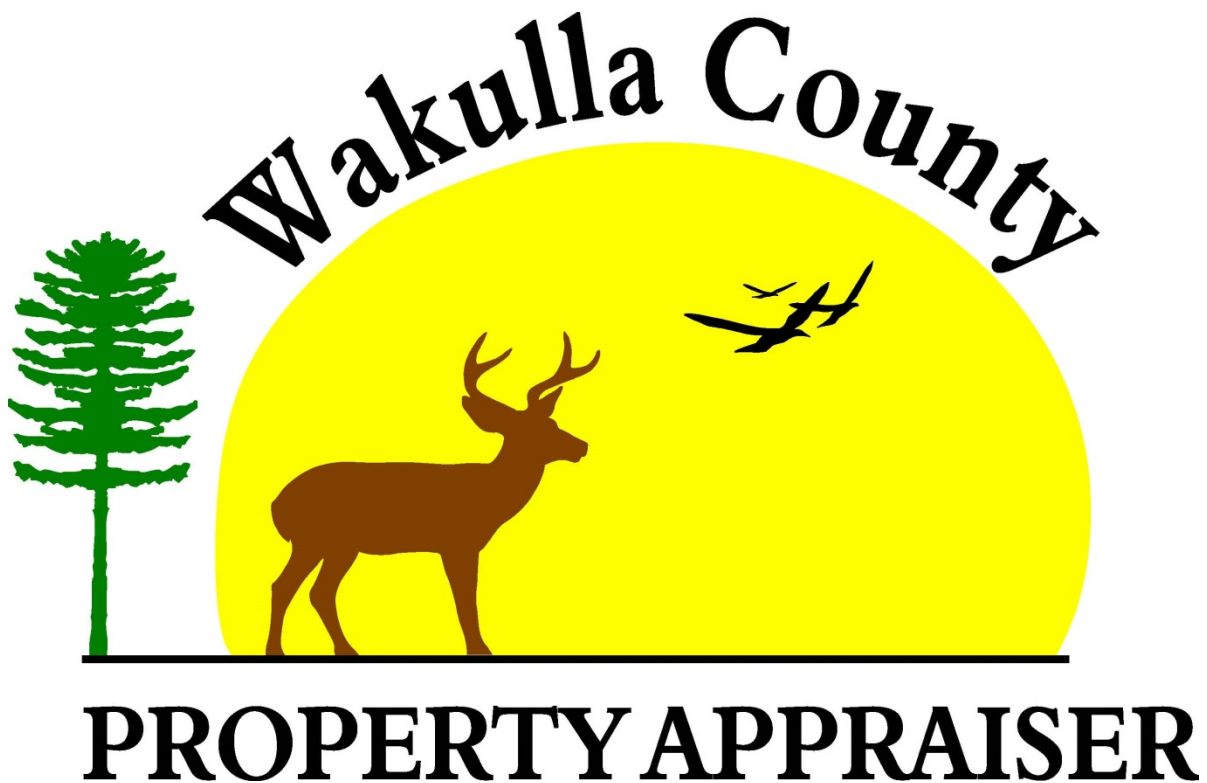


POWELL & JONES
Certified Public Accountants
May 15, 2017

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2016



WAKULLA COUNTY, FLORIDA

**PROPERTY APPRAISER
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2016**

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Property Appraiser
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2016, 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, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

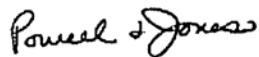
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Property Appraiser, as of September 30, 2016, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 15, 2017, 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.

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 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 Property Appraiser. Such information has been subjected to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



POWELL & JONES
Certified Public Accountants
May 15, 2017

WAKULLA COUNTY, FLORIDA

**PROPERTY APPRAISER
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
 COMBINED BALANCE SHEET - ALL FUND TYPES
 September 30, 2016

	Governmental Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	
ASSETS				
Cash and cash equivalents	\$ 45,305	\$ 19,626	\$ -	\$ 64,931
Accounts receivable, net	-	-	-	-
Due from individuals	-	-	-	-
Due from agency funds	-	-	-	-
Due from other funds	16,321	-	-	16,321
Due from other governmental units	-	-	-	-
Inventories	-	-	-	-
Prepaid expense	-	-	-	-
Other current assets	-	-	-	-
Total assets	\$ 61,626	\$ 19,626	\$ -	\$ 81,252
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to individuals	-	-	-	-
Due to agency funds	-	-	-	-
Due to other funds	61,483	19,626	-	81,109
Due to other governmental units	143	-	-	143
Unearned revenues	-	-	-	-
Interest payable	-	-	-	-
Deposits	-	-	-	-
Other current liabilities	-	-	-	-
Total liabilities	\$ 61,626	\$ 19,626	\$ -	\$ 81,252
Fund balance				
Nonspendable				
Inventories	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balance	\$ -	\$ -	\$ -	\$ -
Total liabilities and fund balance	\$ 61,626	\$ 19,626	\$ -	\$ 81,252

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**PROPERTY APPRAISER
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	40,005	40,005
Intergovernmental	2,065	-	2,065
Charges for services	-	-	-
Fine and forfeitures	-	-	-
Miscellaneous	1,424	-	1,424
Interest	123	-	123
Total revenue	\$ 3,612	\$ 40,005	\$ 43,617
Expenditures			
Current			
General Government	\$ 977,554	\$ 20,379	\$ 997,933
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	-	-
Capital Outlay			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	\$ 977,554	\$ 20,379	\$ 997,933
Excess (deficiency) of revenues over (under) expenditures	\$ (973,942)	\$ 19,626	\$ (954,316)
Other financing sources			
Sale of equipment	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-
Transfers from Board of County Commissioners	957,764	-	957,764
Transfers to other governments	(143)	-	(143)
Interfund transfer in	16,321	-	16,321
Interfund transfers out	-	(19,626)	(19,626)
Total other financing sources (uses)	\$ 973,942	\$ (19,626)	\$ 954,316
Net change in fund balance	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER NOTES TO FINANCIAL STATEMENTS September 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Wakulla County Property Appraiser (the Property Appraiser).

A. Reporting Entity – The Governmental Accounting Standards Board (GASB) on its Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 39 “Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement 14”, establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state or local level. Financial reporting by 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 Wakulla County, Florida. The Property Appraiser’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Property Appraiser are issued separately to comply with Section 11.45(3), *Florida Statutes* and Rule 10.557 (5) of Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*. This rule requires the Property Appraiser to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Property Appraiser and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America.

The financial activities of the Property Appraiser, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

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 (GAAP) and that

budgets be adopted on a basis consistent with GAAP. Pursuant to this requirement, the Board of County Commissioners (BOCC) adopts an annual comprehensive appropriated budget, which in accordance with Chapter 192.091, *Florida Statutes*, includes a portion of the operating budget of the Property Appraiser. The operations of the Property Appraiser are approved by the Florida Department of Revenue (FDOR) in accordance with Chapter 192.091, *Florida Statutes*. The budget of the Property Appraiser, as approved by the FDOR, is billed to and funded by the BOCC and the Northwest Florida Water Management District (NFWFMD) in accordance with Chapter 192.091, *Florida Statutes*. The budgeted receipts from the BOCC and NFWFMD are recorded as other financing sources in the Property Appraiser's special purpose fund financial statements and as other financing uses in the Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted proportionately to the BOCC and the NFWFMD at year end.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented 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 equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Property Appraiser are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Property Appraiser reports the following governmental fund types:

General Fund – The General Fund of the Property Appraiser is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Property Appraiser's Office relating to the Board of County Commissioners and any other resources not required to be accounted for in a separate fund.

Special Revenue Fund – 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, 2016, the Property Appraiser maintained the following special revenue fund:

- Special Assessment Fund

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 modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Property Appraiser considers revenues available if they are collected within 60 days of the

current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 95.7% of the Property Appraiser's funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Property Appraiser; therefore, revenue is recognized based upon the expenditures incurred. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the "susceptible to accrual" criteria are met.

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, *Florida Statutes* which requires that budgets be adopted for all funds as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Property Appraiser's general fund and special revenue fund budget is approved and set by the annually adopted budget of the Board of County Commissioners. The Property Appraiser's annual budget must also be approved by the Florida Department of Revenue.

No budget amendments were made to the budget during the fiscal year. In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the "Original" budget represents the legally adopted budget on October 1 and the "Final" budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Property Appraiser's cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as "Cash" on the balance sheet.

E. 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 is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight line method. All assets purchased by the

Property Appraiser are reported in the Board of County Commissioner’s General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

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 Property Appraiser and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Property Appraiser and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

- **Senior Management –**

Vacation Leave <u>Earned Annually</u>	Sick Leave <u>Earned Annually</u>
240	240

Senior management employees may not carry more than 480 hours of annual leave from one fiscal year to the next. Any amounts exceeding the 480 hour limit shall be converted to sick leave on a hour-per-hour basis at the close of business on September 30th of each fiscal year. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Property Appraiser’s Office may be compensated for all unused annual leave and employees with 10 or more years of service may be compensated for unused sick leave at the rate of ¼ per hour.

- **Regular Class -**

<u>Years of Creditable Service</u>	<u>Vacation Leave Earned Monthly</u>	<u>Sick Leave Earned Monthly</u>
1-5	8	8
6-10	10	8
11-25	14	8
25+	16	8

Regular class employees may not carry more than 240 hours of annual leave from one fiscal year to the next. Any amounts exceeding the 240 hour limit shall be converted to sick leave on a hour-per-hour basis at the close of business on September 30th of each fiscal year. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Property Appraiser’s Office may be compensated for all unused annual leave and employees with 10 or more years of service may be compensated for unused sick leave at the rate of ¼ per hour.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (15%). In the governmental funds, this current portion

of 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 non-current or long-term portion is the amount estimated to be used in subsequent years (85%). This long-term portion is reported in the Board of County Commissioner's General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS

At fiscal year end, the book amount of the Property Appraiser's deposits was \$64,931. Of the bank balances, all was covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, *Florida Statutes*. All Property Appraiser deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief

Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

NOTE 3. FIXED ASSETS

The Property Appraiser’s fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Property Appraiser are reported as part of the County’s financial statements and are not reported as part of the Property Appraiser’s financial statements. The value of fixed assets for the Property Appraiser at year end is:

	Beginning Balance Oct. 1, 2015	Additions	Reclassifications / Deletions	Ending Balance Sept. 30, 2016
Fixed Assets				
Furniture and equipment	\$ 154,992	\$ -	\$ -	\$ 154,992
less accumulated depreciation	(129,285)	(10,411)	-	(139,696)
Fixed Assets, net	\$ 25,707	\$ (10,411)	\$ -	\$ 15,296

NOTE 4. LONG-TERM LIABILITIES

The Property Appraiser had no capital leases or notes payable during the current year. The long-term liabilities of the Property Appraiser’s Office are associated with employee compensated absences. The balances due at year end are:

	Beginning Balance Oct. 1, 2015	Additions	Reductions	Adjustments	Ending Balance Sept. 30, 2016	Due Within One Year	Interest Paid in Current Year
Long-term liabilities							
Compensated absences	\$ 24,297	\$ 15,509			\$ 39,806	\$ 5,971	\$ -
Total long-term liabilities	\$ 24,297	\$ 15,509	\$ -	\$ -	\$ 39,806	\$ 5,971	

The Property Appraiser had no operating leases during the current year.

NOTE 5. RISK MANAGEMENT

The Property Appraiser is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Property Appraiser’s Office directly purchases insurance and participates in the risk management program through Wakulla County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board of County Commissioners obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker’s Compensation

- Automobile Liability

Worker's compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Board of County Commissioner's experience for these type risks. The Board of County Commissioners participates in the Florida Association of Counties Trust (FACT), a public entity risk pool, for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to \$1,000,000 for each claim.

There were no pending legal actions against the Property Appraiser's Office as of the fiscal year end.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Property Appraiser's Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238, *Florida Statutes*, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Property Appraiser is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. The contribution rates, as a percent of gross salary, at September 30, 2015 were as follows:

FRS Contribution Rates							
Class Description	October 1, 2015 - June 30, 2016			July 1, 2016 - September 30, 2016			% Change
	Employer Contribution (A)	Employee Contribution	Total Contribution	Employer Contribution (A)	Employee Contribution	Total Contribution	
<u>Regular Class</u>	7.26%	3.00%	10.26%	7.52%	3.00%	10.52%	0.26%
<u>Senior Management Service Class</u>	21.43%	3.00%	24.43%	21.77%	3.00%	24.77%	0.34%
<u>Special Risk Class</u>	22.04%	3.00%	25.04%	22.57%	3.00%	25.57%	0.53%
<u>Special Risk Administrative Support Class</u>	32.95%	3.00%	35.95%	28.06%	3.00%	31.06%	-4.89%
<u>Elected Officers Class</u>	42.27%	3.00%	45.27%	42.47%	3.00%	45.47%	0.20%
<u>(DROP)</u>	12.88%	N/A	12.88%	12.99%	N/A	12.99%	0.11%
<u>Reemployed Retiree</u>	(B)			(B)			

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .04% for October 1 - June 30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Property Appraiser's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Property Appraiser. The Property Appraiser's contributions (employer only) to the FRS for the fiscal years ended September 30, 2016, 2015 and 2014 were \$76,109, \$72,201, and \$69,302, respectively, which were equal to the required contributions for each fiscal year.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. 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 regarding Wakulla County's participation in the FRS, which includes the Property Appraiser, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

The Property Appraiser's inter-fund receivables and payable at September 30, 2016 were:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Property Appraiser		
General Fund	\$ 16,321	\$ 61,483
Special Assessment Fund	-	19,626
Property Appraiser Total	\$ 16,321	\$ 81,109
Board of County Commissioners		
General Fund	\$ 64,520	\$ -
Road Operating Fund	268	
Board of County Commissioners Total	\$ 64,788	\$ -
Total Interfund Receivable / Payable	\$ 81,109	\$ 81,109

NOTE 8. CONTINGENT LIABILITIES

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

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2016, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable 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, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- 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 BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts.

The Property Appraiser had no fund balances at September 30, 2016.

WAKULLA COUNTY, FLORIDA

**PROPERTY APPRAISER
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amount		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-
Intergovernmental	2,208	2,208	2,065	(143)
Charges for services	-	-	-	-
Fine and forfeitures	-	-	-	-
Miscellaneous	-	-	1,424	1,424
Interest	92	92	123	31
Total revenue	\$ 2,300	\$ 2,300	\$ 3,612	\$ 1,312
Expenditures				
Current				
General Government	\$ 993,402	\$ 993,402	\$ 977,554	\$ 15,848
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 993,402	\$ 993,402	\$ 977,554	\$ 15,848
Excess (deficiency) of revenues over (under) expenditures	\$ (991,102)	\$ (991,102)	\$ (973,942)	\$ 17,160
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-
Transfers from Board of County Commissioners	1,011,102	1,011,102	957,764	(53,338)
Transfers to other governments	-	-	(143)	(143)
Interfund transfer in	-	-	16,321	16,321
Interfund transfers out	(20,000)	(20,000)	-	20,000
Total other financing sources (uses)	\$ 991,102	\$ 991,102	\$ 973,942	\$ (17,160)
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
For the Fiscal Year Ended September 30, 2016

	Budgeted Amount		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	40,000	40,000	40,005	5
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fine and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenue	\$ 40,000	\$ 40,000	\$ 40,005	\$ 5
Expenditures				
Current				
General Government	\$ 40,000	\$ 40,000	\$ 20,379	\$ 19,621
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 40,000	\$ 40,000	\$ 20,379	\$ 19,621
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ 19,626	\$ 19,626
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-
Transfers from Board of County Commissioners	-	-	-	-
Transfers to other governments	-	-	-	-
Interfund transfer in	-	-	-	-
Interfund transfers out	-	-	(19,626)	(19,626)
Total other financing sources (uses)	\$ -	\$ -	\$ (19,626)	\$ (19,626)
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
 COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
 September 30, 2016

	<u>Special Assessment Fund</u>
ASSETS	
Cash and cash equivalents	\$ 19,626
Accounts receivable, net	-
Due from individuals	-
Due from agency funds	-
Due from other funds	-
Due from other governmental units	-
Inventories	-
Prepaid expense	-
Other current assets	-
Total assets	<u>\$ 19,626</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ -
Accrued liabilities	-
Due to individuals	-
Due to agency funds	-
Due to other funds	19,626
Due to other governmental units	-
Unearned revenues	-
Interest payable	-
Deposits	-
Other current liabilities	-
Total liabilities	<u>\$ 19,626</u>
Fund balance	
Nonspendable	
Inventories	\$ -
Prepaid expenses	-
Restricted	-
Committed	-
Assigned	-
Unassigned	-
Total fund balance	<u>\$ -</u>
Total liabilities and fund balance	<u>\$ 19,626</u>

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**PROPERTY APPRAISER
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
ALL SPECIAL REVENUE FUNDS
For the Fiscal Year Ended September 30, 2016**

	Special Assessment Fund
Revenue	
Taxes	\$ -
Licenses, permits, special assessments	40,005
Intergovernmental	-
Charges for services	-
Fines and forfeitures	-
Miscellaneous	-
Interest	-
Total revenue	\$ 40,005
Expenditures	
Current	
General government	\$ 20,379
Public safety	-
Physical environment	-
Transportation	-
Economic environment	-
Human services	-
Culture and recreation	-
Court related	-
Capital Outlay	
General government	-
Public safety	-
Physical environment	-
Transportation	-
Economic environment	-
Human services	-
Culture and recreation	-
Court related	-
Debt Service	
Principal	-
Interest	-
Total Expenditures	\$ 20,379
Excess (deficiency) of revenues over (under) expenditures	\$ 19,626
Other financing sources	
Sale of equipment	\$ -
Debt Proceeds	-
Transfers from Board of County Commissioners	-
Transfers to other governments	-
Interfund transfer in	-
Interfund transfers out	(19,626)
Total other financing sources (uses)	\$ (19,626)
Net change in fund balance	-
Fund balances, beginning of year	-
Fund balances, end of year	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
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
Wakulla 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 Wakulla County Property Appraiser as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Wakulla County Property Appraiser's special purpose fund financial statements, and have issued our report thereon dated May 15, 2017.

Internal Control Over Financial Reporting

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

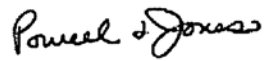
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
May 15, 2017

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

Honorable Property Appraiser
Wakulla County, Florida

We have audited the financial statements of the Wakulla County Property Appraiser, as of and for the year ended September 30, 2016, and have issued our report thereon dated May 15, 2017.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 15, 2017. 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 Wakulla County, Florida, for the year ended September 30, 2016. The financial statements of the Property Appraiser are combined with other County agencies in that report.

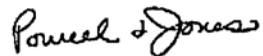
Financial Emergency Status – We have determined that the Property Appraiser did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment 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 Property Appraiser and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Property Appraiser. We appreciate the helpful assistance of Property Appraiser staff in completing our audit and also the generally high quality of the Property Appraiser's financial records and internal control. We also appreciate the helpful assistance and courtesy afforded us by these employees.

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

POWELL & JONES
Certified Public Accountants
May 15, 2017

INDEPENDENT ACCOUNTANT'S REPORT

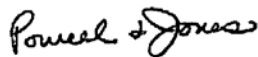
To the Property Appraiser
Wakulla County, Florida

We have examined the Wakulla County, Florida's 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, 2016. 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 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 Property Appraiser's compliance with specified requirements.

In our opinion, the Wakulla County Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

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



POWELL & JONES
Certified Public Accountants
May 15, 2017

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WAKULLA COUNTY, FLORIDA

SHERIFF ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2016



WAKULLA COUNTY, FLORIDA

**SHERIFF
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2016**

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Honorable Sheriff
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Sheriff (the Sheriff), as of and for the year ended September 30, 2016, 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 Sheriff is part of the reporting entity, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

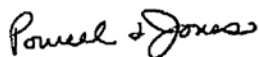
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Sheriff, as of September 30, 2016, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 15, 2017, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
May 15, 2017

WAKULLA COUNTY, FLORIDA

**SHERIFF
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA
SHERIFF
COMBINED BALANCE SHEET - ALL FUND TYPES
September 30, 2016

	Governmental Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	
ASSETS				
Cash and cash equivalents	\$ 525,006	\$ 683,881	\$ 276,221	\$ 1,485,108
Accounts receivable, net	4,308	1,277	21,665	27,250
Due from individuals	-	-	-	-
Due from agency funds	21,665	10,357	-	32,022
Due from other funds	183,618	53,845	257	237,720
Due from other governmental units	8,387	155,023	-	163,410
Inventories	-	-	-	-
Prepaid expense	462,877	602	-	463,479
Other current assets	-	-	-	-
Total assets	\$ 1,205,861	\$ 904,985	\$ 298,143	\$ 2,408,989
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	\$ 383,873	\$ 32,867	\$ -	\$ 416,740
Accrued liabilities	137,818	9,739	-	147,557
Due to individuals	-	-	30,260	30,260
Due to agency funds	236	21	-	257
Due to other funds	221,057	178,315	242,690	642,062
Due to other governmental units	-	-	-	-
Unearned revenues	-	-	-	-
Interest payable	-	-	-	-
Deposits	-	-	-	-
Other current liabilities	-	-	25,193	25,193
Total liabilities	\$ 742,984	\$ 220,942	\$ 298,143	\$ 1,262,069
Fund balance				
Nonspendable				
Inventories	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	462,877	602	-	463,479
Restricted	-	665,758	-	665,758
Committed	-	18,285	-	18,285
Assigned	-	-	-	-
Unassigned	-	(602)	-	(602)
Total fund balance	\$ 462,877	\$ 684,043	\$ -	\$ 1,146,920
Total liabilities and fund balance	\$ 1,205,861	\$ 904,985	\$ 298,143	\$ 2,408,989

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF

**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-
Intergovernmental	-	710,026	710,026
Charges for services	83,476	256,070	339,546
Fines and forfeitures	-	11,204	11,204
Miscellaneous	-	-	-
Interest	-	2,233	2,233
Total revenue	\$ 83,476	\$ 979,533	\$ 1,063,009
Expenditures			
Current			
General Government	\$ -	\$ -	\$ -
Public Safety	10,098,021	1,070,453	11,168,474
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	-	-
Capital Outlay			
General government	-	-	-
Public Safety	162,992	117,680	280,672
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	\$ 10,261,013	\$ 1,188,133	\$ 11,449,146
Excess (deficiency) of revenues over (under) expenditures	\$ (10,177,537)	\$ (208,600)	\$ (10,386,137)
Other financing sources			
Sale of equipment	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-
Transfers from Board of County Commissioners	10,288,797	247,329	10,536,126
Transfers to other governments	-	-	-
Interfund transfer in	-	120,325	120,325
Interfund transfers out	(75,974)	(44,351)	(120,325)
Total other financing sources (uses)	\$ 10,212,823	\$ 323,303	\$ 10,536,126
Net change in fund balance	35,286	114,703	149,989
Fund balances, beginning of year	427,591	569,340	996,931
Fund balances, end of year	\$ 462,877	\$ 684,043	\$ 1,146,920

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF NOTES TO FINANCIAL STATEMENTS September 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Wakulla County Sheriff (the Sheriff).

A. Reporting Entity – The Governmental Accounting Standards Board (GASB) on its Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 39 “Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement 14”, establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state or local level. Financial reporting by 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 Wakulla County, Florida. The Sheriff’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Sheriff are issued separately to comply with Section 218.39(2), *Florida Statutes* and Rule 10.557 (4) of Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*. This rule requires the Sheriff to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Sheriff and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America.

The financial activities of the Sheriff, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

The Sheriff funds operations as a fee officer and a budget officer pursuant to *Florida Statutes*, Chapters 28, 218 and 129 respectively. As a fee officer, the Sheriff collects fees and commissions from certain County activities. As a budget officer, the operations of the Sheriff

relating to the Board of County Commissioners are approved and funded by the Board of County Commissioners. The budgeted receipts from the Board of County Commissioners are recorded as other financing sources in the Sheriff's special purpose fund financial statements and as other financing uses in the Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted to the Board of County Commissioners at year end except for various unexpended grant and contractual monies.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented 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 equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Sheriff are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Sheriff reports the following governmental fund types:

General Fund – The General Fund of the Sheriff is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Sheriff's Office relating to the Board of County Commissioners and any other resources not required to be accounted for in a separate 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, 2016, the Sheriff maintained the following special revenue funds:

Special Revenue:

- Crime Prevention Fund
- Domestic Violence Fund
- Federal Forfeiture Fund
- Firing Range Fund
- Inmate Welfare Fund
- Law Enforcement Trust Fund
- Moving Violations Fund
- 1 Cent Sales Tax Fund
- \$2 Training Fund

Grants and Contracts:

- Bulletproof Vests Fund
- COPS Hiring Grant Fund
- EMPA/EMPG Grant Fund
- EMPA Hazardous Analysis Grant Fund
- E911 Grant Fund
- FEMA Fund
- Florida Sheriff’s Association Fund
- JAG / Byrne Grant Fund
- JAG Direct Grant Fund
- Litter Control – Parks &
- Recreation Fund
- Litter Control – Transfield Fund
- School Resource Officer Fund
- Teen Driving Challenge Grant Fund
- U.S. Forestry Fund
- U.S. Marshall Fund
- VOCA Grant Fund
- Wakulla County Coalition for Youth Fund

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 modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Sheriff considers revenues available if they are collected within 60 days of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 90.9% of the Sheriff’s funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Sheriff; therefore, revenue is recognized based upon the expenditures incurred. Grant revenue is recorded in this manner. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the “susceptible to accrual” criteria are met.

2. Fiduciary Funds

Agency Funds – Agency funds are used to account for assets held by the Sheriff as an agent for individuals, other County funds, and other governmental units. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Sheriff functions purely as an agent for others in the maintenance of these funds. The Sheriff reports the following agency funds:

- Donated Funds
- Individual Depository Fund
- Inmate Trust Fund
- Seized Funds
- Suspense Fund
- Ounce of Prevention Fund

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, *Florida Statutes* which requires that budgets be adopted for all funds

as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Sheriff's general fund budget for Board of County Commissioner related activity is approved and set by the annually adopted budget of the Board of County Commissioners. The Sheriff's special revenue fund budgets are adopted by the Sheriff consistent with sound financial policies and generally accepted accounting principles.

No budget amendments were made to the budget during the fiscal year. In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the "Original" budget represents the legally adopted budget on October 1 and the "Final" budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Sheriff's cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as "Cash" on the balance sheet.

E. 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 is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight line method. While all assets purchased by the Sheriff are maintained on a separate inventory schedule from the Board of County Commissioners, they are reported in the Board of County Commissioner's General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

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 Sheriff and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Sheriff and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

<u>Years of Creditable Service</u>	<u>Vacation Leave Earned Monthly</u>	<u>Sick Leave Earned Monthly</u>
1-5	9	8
6-10	11	8
11 +	13	8

Employees may not carry more than 240 hours of annual leave from one calendar year to the next. Any amounts exceeding the 240 hour limit are lost at year end. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Sheriff's Office may be compensated for all unused annual leave up to 240 hours and employees with one or more years of service may be compensated for unused sick leave at the rate of ¼ per hour up to a maximum of 240 hours.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (10%). In the governmental funds, this current portion of 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 non-current or long-term portion is the amount estimated to be used in subsequent years (90%). This long-term portion is reported in the Board of County Commissioner's General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates– The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS

At fiscal year end, the book amount of the Sheriff's deposits was \$1,485,108. Of the bank balances, \$250,000 was covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, *Florida Statutes*. All Sheriff deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

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. All of the collateral covering the Sheriff's deposits was Category 1.

NOTE 3. FIXED ASSETS

The Sheriff's fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Sheriff are reported as part of the County's financial statements and are not reported as part of the Sheriff's financial statements. The value of fixed assets for the Sheriff at year end is:

	Beginning Balance Oct. 1, 2015	Additions	Reclassifications / Deletions	Ending Balance Sept. 30, 2016
Fixed Assets				
Furniture and equipment	\$ 5,692,354	\$ 280,673	\$ (156,267)	\$ 5,816,760
less accumulated depreciation	(4,584,098)	(486,017)	156,267	(4,913,848)
Fixed Assets, net	\$ 1,108,256	\$ (205,344)	\$ -	\$ 902,912

NOTE 4. LONG-TERM LIABILITIES

The Sheriff had no capital leases or notes payable during the current year. The long-term liabilities of the Sheriff’s Office are associated with employee compensated absences. The balances due at year end are:

	Beginning Balance Oct. 1, 2015	Additions	Reductions	Adjustments	Ending Balance Sept. 30, 2016	Due Within One Year	Interest Paid in Current Year
Long-term liabilities							
Compensated absences	\$ 528,625	\$ 418,913	\$ (419,527)		\$ 528,011	\$ 52,801	\$ -
Total long-term liabilities	\$ 528,625	\$ 418,913	\$ (419,527)	\$ -	\$ 528,011	\$ 52,801	

The Sheriff’s Office had six operating leases during the current year. The leases were for a postage meter and five copiers. The annual future lease obligations are:

Year Ending September 30,	Annual Obligation
2017	\$ 11,504
2018	11,504
2019	11,504
2020	3,615
2021	-
Total	\$ 38,127

NOTE 5. RISK MANAGEMENT

The Sheriff is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Sheriff’s Office participates in an insurance program through the Florida Sheriff’s Association. The Sheriff has no responsibilities to provide monies in excess of premiums paid to fund losses incurred by the insurance program. Aggregate coverage provided is limited to \$1,000,000 for each claim.

The insurance program insures against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker’s Compensation
- Automobile Liability

Worker’s compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Sheriff’s experience for these type risks.

There are some pending legal actions that could eventually result in a liability for the Wakulla County Sheriff. The ultimate liability resulting from these actions cannot be determined at this time; however, in the opinion of the Sheriff’s legal counsel, any claims not covered by insurance resulting from such litigation would not be material in relation to the Sheriff’s financial condition.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Sheriff’s Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238, *Florida Statutes*, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Sheriff is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. The contribution rates, as a percent of gross salary, at September 30, 2016 were as follows:

Class Description	FRS Contribution Rates						
	October 1, 2015 - June 30, 2016			July 1, 2016 - September 30, 2016			% Change
	Employer Contribution (A)	Employee Contribution	Total Contribution	Employer Contribution (A)	Employee Contribution	Total Contribution	
<u>Regular Class</u>	7.26%	3.00%	10.26%	7.52%	3.00%	10.52%	0.26%
<u>Senior Management Service Class</u>	21.43%	3.00%	24.43%	21.77%	3.00%	24.77%	0.34%
<u>Special Risk Class</u>	22.04%	3.00%	25.04%	22.57%	3.00%	25.57%	0.53%
<u>Special Risk Administrative Support Class</u>	32.95%	3.00%	35.95%	28.06%	3.00%	31.06%	-4.89%
<u>Elected Officers Class</u>	42.27%	3.00%	45.27%	42.47%	3.00%	45.47%	0.20%
<u>(DROP)</u>	12.88%	N/A	12.88%	12.99%	N/A	12.99%	0.11%
<u>Reemployed Retiree</u>	(B)			(B)			

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .04% for October 1 - June30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Sheriff’s liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Sheriff. The Sheriff’s

contributions (employer only) to the FRS for the fiscal years ended September 30, 2016, 2015 and 2014 were \$972,993, \$900,868 and \$845,480, respectively, which were equal to the required contributions for each fiscal year.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. 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 regarding Wakulla County's participation in the FRS, which includes the Sheriff, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

The Sheriff's inter-fund receivables and payables at September 30, 2016 were:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Sheriff		
General Fund	\$ 205,283	\$ 221,293
Special Revenue Funds		
Grants & Contracts		
Bulletproof Vests	-	3,183
EMPA / EMPG	-	40,126
FEMA	-	19,752
JAG/ Byrne	594	2
Litter Control Parks & Recreation	12,043	10,542
Litter Control Transfield	-	3,597
School Resource Officer	-	30,635
Teen Driving Challenge	-	1,135
US Forestry	-	721
US Marshals	-	846
VOCA	-	16,019
Wakulla County Coalition for Youth	-	865
Special Revenue Funds		
Crime Prevention	9,872	9,382
Domestic Violence	6,840	6,840
Firing Range	-	113
Inmate Welfare	10,357	10,082
Moving Violations	9,755	9,755
1 Cent Sales Tax	574	574
\$2 Training Fund	14,167	14,167
Agency Funds		
Donated Funds	257	-
Individual Depository	-	210,668
Inmate Trust	-	10,357
Ounce of Prevention Grant	-	21,665
Sheriff Total	\$ 269,742	\$ 642,319

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Board of County Commissioners		
General Fund	\$ -	\$ 12,043
Special Revenue Funds		
1 Cent Slaes Tax	-	574
E911 Fund	36,154	-
Court Fees Fund	-	9,872
Crime Prevention Fund	-	30,762
Road Department	13,538	-
Sheriff's Fund	376,136	-
Board of County Commissioners Total	\$ 425,828	\$ 53,251
Total Interfund Receivable / Payable	\$ 695,570	\$ 695,570

NOTE 8. CONTINGENT LIABILITIES

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

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2016, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable 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, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- 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 BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts.

The Sheriff's fund balances at September 30, 2016 are as follows:

<u>Fund Name</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>
General Fund	\$ 462,877	\$ -	\$ -	\$ -	\$ -
Special Revenue Funds					
EMPA Fund	602	-	-	-	(602)
Federal Forfeiture Fund	-	9,687	-	-	-
Firing Range Fund	-	-	18,285	-	-
Inmate Welfare Fund	-	579,137	-	-	-
Law Enforcement Trust Fund	-	76,934	-	-	-
Total	\$ 463,479	\$ 665,758	\$ 18,285	\$ -	\$ (602)

WAKULLA COUNTY, FLORIDA

**SHERIFF
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

SHERIFF

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended September 30, 2016

	Budgeted Amount		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits and special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	80,000	80,000	83,476	3,476
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenue	\$ 80,000	\$ 80,000	\$ 83,476	\$ 3,476
Expenditures				
Current				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	10,514,271	10,514,271	10,098,021	416,250
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public Safety	-	-	162,992	(162,992)
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 10,514,271	\$ 10,514,271	\$ 10,261,013	\$ 253,258
Excess (deficiency) of revenues over (under) expenditures	\$ (10,434,271)	\$ (10,434,271)	\$ (10,177,537)	\$ 256,734
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-
Transfers from Board of County Commissioners	\$ 10,484,271	\$ 10,484,271	\$ 10,288,797	\$ (195,474)
Transfers to other governments	-	-	-	-
Interfund transfer in	-	-	-	-
Interfund transfers out	(50,000)	(50,000)	(75,974)	(25,974)
Total other financing sources (uses)	\$ 10,434,271	\$ 10,434,271	\$ 10,212,823	\$ (221,448)
Net change in fund balance	-	-	35,286	35,286
Fund balances, beginning of year	427,591	427,591	427,591	-
Fund balances, end of year	\$ 427,591	\$ 427,591	\$ 462,877	\$ 35,286

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amount		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits and special assessments	-	-	-	-
Intergovernmental	589,094	589,094	710,026	120,932
Charges for services	256,070	256,070	256,070	-
Fines and forfeitures	11,204	11,204	11,204	-
Miscellaneous	-	-	-	-
Interest	2,233	2,233	2,233	-
Total revenue	\$ 858,601	\$ 858,601	\$ 979,533	\$ 120,932
Expenditures				
Current				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	975,534	975,534	1,070,453	(94,919)
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public Safety	117,680	117,680	117,680	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 1,093,214	\$ 1,093,214	\$ 1,188,133	\$ (94,919)
Excess (deficiency) of revenues over (under) expenditures	\$ (234,613)	\$ (234,613)	\$ (208,600)	\$ 26,013
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-
Transfers from Board of County Commissioners	273,342	273,342	247,329	(26,013)
Transfers to other governments	-	-	-	-
Interfund transfer in	120,325	120,325	120,325	-
Interfund transfers out	(44,351)	(44,351)	(44,351)	-
Total other financing sources (uses)	\$ 349,316	\$ 349,316	\$ 323,303	\$ (26,013)
Net change in fund balance	114,703	114,703	114,703	-
Fund balances, beginning of year	569,340	569,340	569,340	-
Fund balances, end of year	\$ 684,043	\$ 684,043	\$ 684,043	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
 September 30, 2016

	Grants & Contracts	Crime Prevention	Domestic Violence	Federal Forfeiture	Firing Range	Inmate Welfare	Law Enforcement Trust	Moving Violations	1 Cent Sales Tax	\$2 Training Fund	Total
ASSETS											
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 9,687	\$ 18,398	\$ 578,862	\$ 76,934	\$ -	\$ -	\$ -	\$ 683,881
Accounts receivable, net	1,277	-	-	-	-	-	-	-	-	-	1,277
Due from individuals	-	-	-	-	-	-	-	-	-	-	-
Due from agency funds	-	-	-	-	-	10,357	-	-	-	-	10,357
Due from other funds	12,637	9,872	6,840	-	-	-	-	9,755	574	14,167	53,845
Due from other governmental units	155,023	-	-	-	-	-	-	-	-	-	155,023
Inventories	-	-	-	-	-	-	-	-	-	-	-
Prepaid expense	602	-	-	-	-	-	-	-	-	-	602
Other current assets	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 169,539	\$ 9,872	\$ 6,840	\$ 9,687	\$ 18,398	\$ 589,219	\$ 76,934	\$ 9,755	\$ 574	\$ 14,167	\$ 904,985
LIABILITIES AND FUND BALANCE											
Liabilities											
Accounts payable	\$ 32,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,867
Accrued liabilities	9,249	490	-	-	-	-	-	-	-	-	9,739
Due to individuals	-	-	-	-	-	-	-	-	-	-	-
Due to agency funds	21	-	-	-	-	-	-	-	-	-	21
Due to other funds	127,402	9,382	6,840	-	113	10,082	-	9,755	574	14,167	178,315
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	\$ 169,539	\$ 9,872	\$ 6,840	\$ -	\$ 113	\$ 10,082	\$ -	\$ 9,755	\$ 574	\$ 14,167	\$ 220,942
Fund balance											
Nonspendable											
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	602	-	-	-	-	-	-	-	-	-	602
Restricted	-	-	-	9,687	-	579,137	76,934	-	-	-	665,758
Committed	-	-	-	-	18,285	-	-	-	-	-	18,285
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	(602)	-	-	-	-	-	-	-	-	-	(602)
Total fund balance	\$ -	\$ -	\$ -	\$ 9,687	\$ 18,285	\$ 579,137	\$ 76,934	\$ -	\$ -	\$ -	\$ 684,043
Total liabilities and fund balance	\$ 169,539	\$ 9,872	\$ 6,840	\$ 9,687	\$ 18,398	\$ 589,219	\$ 76,934	\$ 9,755	\$ 574	\$ 14,167	\$ 904,985

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
ALL SPECIAL REVENUE FUNDS

For the Fiscal Year Ended September 30, 2016

	Grants & Contracts	Crime Prevention	Domestic Violence	Federal Forfeiture	Firing Range	Inmate Welfare	Law Enforcement Trust	Moving Violations	1 Cent Sales Tax	\$2 Training Fund	Total
Revenue											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	710,026	-	-	-	-	-	-	-	-	-	710,026
Charges for services	2,666	-	-	-	38,587	214,817	-	-	-	-	256,070
Fines and forfeitures	-	-	-	-	-	-	11,204	-	-	-	11,204
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	5	13	1,878	337	-	-	-	2,233
Total revenue	\$ 712,692	\$ -	\$ -	\$ 5	\$ 38,600	\$ 216,695	\$ 11,541	\$ -	\$ -	\$ -	\$ 979,533
Expenditures											
Current											
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	908,147	9,872	6,840	-	40,268	34,880	22,853	-	33,426	14,167	1,070,453
Physical environment	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay											
General government	-	-	-	-	-	-	-	-	-	-	-
Public safety	4,320	-	-	-	-	-	9,865	9,755	93,740	-	117,680
Physical environment	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 912,467	\$ 9,872	\$ 6,840	\$ -	\$ 40,268	\$ 34,880	\$ 32,718	\$ 9,755	\$ 127,166	\$ 14,167	\$ 1,188,133
Excess (deficiency) of revenues over (under) expenditures	\$ (199,775)	\$ (9,872)	\$ (6,840)	\$ 5	\$ (1,668)	\$ 181,815	\$ (21,177)	\$ (9,755)	\$ (127,166)	\$ (14,167)	\$ (208,600)
Other financing sources											
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-	-	-	-	-	-	-
Transfers from Board of County Commissioners	79,529	9,872	6,840	-	-	-	-	9,755	127,166	14,167	247,329
Transfers to other governments	-	-	-	-	-	-	-	-	-	-	-
Interfund transfer in	120,325	-	-	-	-	-	-	-	-	-	120,325
Interfund transfers out	(79)	-	-	-	-	-	(44,272)	-	-	-	(44,351)
Total other financing sources (uses)	\$ 199,775	\$ 9,872	\$ 6,840	\$ -	\$ -	\$ -	\$ (44,272)	\$ 9,755	\$ 127,166	\$ 14,167	\$ 323,303
Net change in fund balance	-	-	-	5	(1,668)	181,815	(65,449)	-	-	-	114,703
Fund balances, beginning of year	-	-	-	9,682	19,952	397,322	142,384	-	-	-	569,340
Fund balances, end of year	\$ -	\$ -	\$ -	\$ 9,687	\$ 18,284	\$ 579,137	\$ 76,935	\$ -	\$ -	\$ -	\$ 684,043

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING BALANCE SHEET - ALL GRANTS AND CONTRACTS
 September 30, 2016

	Bulletproof Vests	COPS Hiring Grant	EMPA / EMPG Grant	EMPA - Hazardous Analysis	E911 Grant	FEMA	Florida Sheriff's Assoc.	JAG/ Byrne Grant	JAG Direct
ASSETS									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable, net	-	-	-	-	-	-	-	-	-
Due from individuals	-	-	-	-	-	-	-	-	-
Due from agency funds	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	594	-
Due from other governmental units	3,183	-	41,361	-	-	42,900	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Prepaid expense	-	-	602	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-	-	-
Total assets	\$ 3,183	\$ -	\$ 41,963	\$ -	\$ -	\$ 42,900	\$ -	\$ 594	\$ -
LIABILITIES AND FUND BALANCE									
Liabilities									
Accounts payable	\$ -	\$ -	\$ 1,837	\$ -	\$ -	\$ 23,148	\$ -	\$ 592	\$ -
Accrued liabilities	-	-	-	-	-	-	-	-	-
Due to individuals	-	-	-	-	-	-	-	-	-
Due to agency funds	-	-	-	-	-	5	-	2	-
Due to other funds	3,183	-	40,126	-	-	19,747	-	-	-
Due to other governmental units	-	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	\$ 3,183	\$ -	\$ 41,963	\$ -	\$ -	\$ 42,900	\$ -	\$ 594	\$ -
Fund balance									
Nonspendable									
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	-	-	602	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(602)	-	-	-	-	-	-
Total fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities and fund balance	\$ 3,183	\$ -	\$ 41,963	\$ -	\$ -	\$ 42,900	\$ -	\$ 594	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING BALANCE SHEET - ALL GRANTS AND CONTRACTS
 September 30, 2016

	Litter Control Parks & Recreation	Litter Control Transfield	School Resource Officer	Teen Driving Challenge	US Forestry	US Marshals	VOCA	Wakulla County Coalition for Youth	Totals
ASSETS									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable, net	-	-	-	-	-	-	-	1,277	1,277
Due from individuals	-	-	-	-	-	-	-	-	-
Due from agency funds	-	-	-	-	-	-	-	-	-
Due from other funds	12,043	-	-	-	-	-	-	-	12,637
Due from other governmental units	-	4,988	39,491	1,135	960	1,849	19,156	-	155,023
Inventories	-	-	-	-	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	-	-	602
Other current assets	-	-	-	-	-	-	-	-	-
Total assets	\$ 12,043	\$ 4,988	\$ 39,491	\$ 1,135	\$ 960	\$ 1,849	\$ 19,156	\$ 1,277	\$ 169,539
LIABILITIES AND FUND BALANCE									
Liabilities									
Accounts payable	\$ 661	\$ 336	\$ 4,474	\$ -	\$ 239	\$ -	\$ 1,168	\$ 412	\$ 32,867
Accrued liabilities	840	1,055	4,382	-	-	1,003	1,969	-	9,249
Due to individuals	-	-	-	-	-	-	-	-	-
Due to agency funds	2	1	5	-	-	-	6	-	21
Due to other funds	10,540	3,596	30,630	1,135	721	846	16,013	865	127,402
Due to other governmental units	-	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	\$ 12,043	\$ 4,988	\$ 39,491	\$ 1,135	\$ 960	\$ 1,849	\$ 19,156	\$ 1,277	\$ 169,539
Fund balance									
Nonspendable									
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	-	-	-	-	-	-	-	-	602
Restricted	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(602)
Total fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities and fund balance	\$ 12,043	\$ 4,988	\$ 39,491	\$ 1,135	\$ 960	\$ 1,849	\$ 19,156	\$ 1,277	\$ 169,539

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 ALL GRANTS AND CONTRACTS
 For the Fiscal Year Ended September 30, 2016

	Bulletproof Vests	COPS Hiring	EMPA / EMPG Grant	EMPA - Hazardous Analysis	E911	FEMA	Florida Sheriff's Assoc.	JAG/ Byrne	JAG Direct
Revenue									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-	-	-	-	-	-
Intergovernmental	3,183	30,055	166,384	-	94,921	42,900	350	21,646	4,365
Charges for services	-	-	-	2,666	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total revenue	\$ 3,183	\$ 30,055	\$ 166,384	\$ 2,666	\$ 94,921	\$ 42,900	\$ 350	\$ 21,646	\$ 4,365
Expenditures									
Current									
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	6,366	33,394	190,890	3,127	94,921	42,900	271	21,646	45
Physical environment	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-	-
Capital Outlay									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	4,320
Physical environment	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-	-
Debt Service									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 6,366	\$ 33,394	\$ 190,890	\$ 3,127	\$ 94,921	\$ 42,900	\$ 271	\$ 21,646	\$ 4,365
Excess (deficiency) of revenues over (under) expenditures	\$ (3,183)	\$ (3,339)	\$ (24,506)	\$ (461)	\$ -	\$ -	\$ 79	\$ -	\$ -
Other financing sources									
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-	-	-	-	-
Transfers from Board of County Commissioners	-	-	24,506	-	-	-	-	-	-
Transfers to other governments	-	-	-	-	-	-	-	-	-
Interfund transfer in	3,183	3,339	-	461	-	-	-	-	-
Interfund transfers out	-	-	-	-	-	-	(79)	-	-
Total other financing sources (uses)	\$ 3,183	\$ 3,339	\$ 24,506	\$ 461	\$ -	\$ -	\$ (79)	\$ -	\$ -
Net change in fund balance	-	-	-	-	-	-	-	-	-
Fund balances, beginning of year	-	-	-	-	-	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 ALL GRANTS AND CONTRACTS
 For the Fiscal Year Ended September 30, 2016

	Litter Control Parks & Recreation	Litter Control Transfield	School Resource Officer	Teen Driving Challenge	US Forestry	US Marshals	VOCA	Wakulla County Coalition for Youth	Totals
Revenue									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-	-	-	-	-	-
Intergovernmental	-	29,928	204,833	9,135	2,640	1,849	89,101	8,736	710,026
Charges for services	-	-	-	-	-	-	-	-	2,666
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total revenue	\$ -	\$ 29,928	\$ 204,833	\$ 9,135	\$ 2,640	\$ 1,849	\$ 89,101	\$ 8,736	\$ 712,692
Expenditures									
Current									
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	55,023	53,735	284,899	9,135	2,958	1,849	98,252	8,736	908,147
Physical environment	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-	-
Capital Outlay									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	4,320
Physical environment	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-	-
Debt Service									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 55,023	\$ 53,735	\$ 284,899	\$ 9,135	\$ 2,958	\$ 1,849	\$ 98,252	\$ 8,736	\$ 912,467
Excess (deficiency) of revenues over (under) expenditures	\$ (55,023)	\$ (23,807)	\$ (80,066)	\$ -	\$ (318)	\$ -	\$ (9,151)	\$ -	\$ (199,775)
Other financing sources									
Sale of equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-	-	-	-	-
Transfers from Board of County Commissioners	55,023	-	-	-	-	-	-	-	79,529
Transfers to other governments	-	-	-	-	-	-	-	-	-
Interfund transfer in	-	23,807	80,066	-	318	-	9,151	-	120,325
Interfund transfers out	-	-	-	-	-	-	-	-	(79)
Total other financing sources (uses)	\$ 55,023	\$ 23,807	\$ 80,066	\$ -	\$ 318	\$ -	\$ 9,151	\$ -	\$ 199,775
Net change in fund balance	-	-	-	-	-	-	-	-	-
Fund balances, beginning of year	-	-	-	-	-	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING BALANCE SHEET - ALL AGENCY FUNDS
 September 30, 2016

	Donated Funds	Individual Depository	Inmate Trust	Seized Funds	Suspense	Ounce of Prevention Grant	Totals (Memorandum Only)
ASSETS							
Cash and cash equivalents	\$ 16,003	\$ 210,668	\$ 32,897	\$ 8,933	\$ 7,720	\$ -	\$ 276,221
Accounts receivable, net	-	-	-	-	-	21,665	21,665
Due from individuals	-	-	-	-	-	-	-
Due from other funds	257	-	-	-	-	-	257
Due from other governmental units	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-
Total assets	\$ 16,260	\$ 210,668	\$ 32,897	\$ 8,933	\$ 7,720	\$ 21,665	\$ 298,143
LIABILITIES AND FUND BALANCE							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-
Due to individuals	-	-	22,540	-	7,720	-	30,260
Due to agency funds	-	-	-	-	-	-	-
Due to other funds	-	210,668	10,357	-	-	21,665	242,690
Due to other governmental units	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-
Other current liabilities	16,260	-	-	8,933	-	-	25,193
Total liabilities	\$ 16,260	\$ 210,668	\$ 32,897	\$ 8,933	\$ 7,720	\$ 21,665	\$ 298,143
Fund balance							
Nonspendable							
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities and fund balance	\$ 16,260	\$ 210,668	\$ 32,897	\$ 8,933	\$ 7,720	\$ 21,665	\$ 298,143

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 ALL AGENCY FUNDS
 September 30, 2016

	Balance			Balance
	Oct. 1, 2015	Additions	Deductions	Sept. 30, 2016
DONATED FUNDS				
Assets				
Cash and cash equivalents	\$ 32,246	\$ 17,853	\$ 34,096	\$ 16,003
Accounts receivable, net	-	-	-	-
Due from individuals	-	-	-	-
Due from other funds	648	6,775	7,166	257
Due from Board of County Comm	-	-	-	-
Due from other governmental units	-	-	-	-
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
Other current assets	-	-	-	-
Total Assets	\$ 32,894	\$ 24,628	\$ 41,262	\$ 16,260
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to individuals	-	-	-	-
Due to other funds	-	-	-	-
Due to Board of County Comm	-	-	-	-
Due to other governmental units	-	-	-	-
Unearned revenues	-	-	-	-
Interest payable	-	-	-	-
Other current liabilities	32,894	24,628	41,262	16,260
Total Liabilities	\$ 32,894	\$ 24,628	\$ 41,262	\$ 16,260
INDIVIDUAL DEPOSITORY				
Assets				
Cash and cash equivalents	\$ 144,405	\$ 1,916,321	\$ 1,850,058	\$ 210,668
Accounts receivable, net	-	-	-	-
Due from individuals	-	-	-	-
Due from other funds	-	-	-	-
Due from Board of County Comm	-	-	-	-
Due from other governmental units	-	-	-	-
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
Other current assets	-	-	-	-
Total Assets	\$ 144,405	\$ 1,916,321	\$ 1,850,058	\$ 210,668
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to individuals	-	-	-	-
Due to other funds	6,109	82,731	81,689	7,151
Due to Board of County Comm	138,296	1,833,590	1,768,369	203,517
Due to other governmental units	-	-	-	-
Unearned revenues	-	-	-	-
Interest payable	-	-	-	-
Other current liabilities	-	-	-	-
Total Liabilities	\$ 144,405	\$ 1,916,321	\$ 1,850,058	\$ 210,668

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**SHERIFF
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS
September 30, 2016**

	Balance				Balance
	Oct. 1, 2015	Additions	Deductions		Sept. 30, 2016
INMATE TRUST					
Assets					
Cash and cash equivalents	\$ 27,112	\$ 398,145	\$ 392,360		\$ 32,897
Accounts receivable, net	-				-
Due from individuals	-				-
Due from other funds	-				-
Due from Board of County Comm	-				-
Due from other governmental units	-				-
Inventories	-				-
Prepaid expenses	-				-
Other current assets	-				-
Total Assets	\$ 27,112	\$ 398,145	\$ 392,360		\$ 32,897
Liabilities					
Accounts payable	\$ -	\$ -	\$ -		\$ -
Accrued liabilities	-				-
Due to individuals	18,364	273,193	269,017		22,540
Due to other funds	8,748	124,952	123,343		10,357
Due to Board of County Comm	-				-
Due to other governmental units	-				-
Unearned revenues	-				-
Interest payable	-				-
Other current liabilities	-				-
Total Liabilities	\$ 27,112	\$ 398,145	\$ 392,360		\$ 32,897
SEIZED FUNDS					
Assets					
Cash and cash equivalents	\$ 8,664	\$ 11,347	\$ 11,078		\$ 8,933
Accounts receivable, net	-				-
Due from individuals	-				-
Due from other funds	-				-
Due from Board of County Comm	-				-
Due from other governmental units	-				-
Inventories	-				-
Prepaid expenses	-				-
Other current assets	-				-
Total Assets	\$ 8,664	\$ 11,347	\$ 11,078		\$ 8,933
Liabilities					
Accounts payable	\$ -	\$ -	\$ -		\$ -
Accrued liabilities	-				-
Due to individuals	-				-
Due to other funds	-				-
Due to Board of County Comm	-				-
Due to other governmental units	-				-
Unearned revenues	-				-
Interest payable	-				-
Other current liabilities	8,664	11,347	11,078		8,933
Total Liabilities	\$ 8,664	\$ 11,347	\$ 11,078		\$ 8,933

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**SHERIFF
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS
September 30, 2016**

	Balance				Balance
	Oct. 1, 2015	Additions	Deductions		Sept. 30, 2016
SUSPENSE					
Assets					
Cash and cash equivalents	\$ 9,122	\$ 53,624	\$ 55,026		\$ 7,720
Accounts receivable, net	-				-
Due from individuals	-				-
Due from other funds	-				-
Due from Board of County Comm	-				-
Due from other governmental units	-				-
Inventories	-				-
Prepaid expenses	-				-
Other current assets	-				-
Total Assets	\$ 9,122	\$ 53,624	\$ 55,026		\$ 7,720
Liabilities					
Accounts payable	\$ -	\$ -	\$ -		\$ -
Accrued liabilities	-				-
Due to individuals	9,122	53,624	55,026		7,720
Due to other funds	-				-
Due to Board of County Comm	-				-
Due to other governmental units	-				-
Unearned revenues	-				-
Interest payable	-				-
Other current liabilities	-				-
Total Liabilities	\$ 9,122	\$ 53,624	\$ 55,026		\$ 7,720
Ounce of Prevention Grant					
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -		\$ -
Accounts receivable, net	26,219	176,372	180,926		21,665
Due from individuals	-				-
Due from other funds	-				-
Due from Board of County Comm	-				-
Due from other governmental units	-				-
Inventories	-				-
Prepaid expenses	-				-
Other current assets	-				-
Total Assets	\$ 26,219	\$ 176,372	\$ 180,926		\$ 21,665
Liabilities					
Accounts payable	\$ 910	\$ 176,372	\$ 177,282		\$ -
Accrued liabilities	-				-
Due to individuals	-				-
Due to other funds	25,309	-	3,644		21,665
Due to Board of County Comm	-				-
Due to other governmental units	-				-
Unearned revenues	-				-
Interest payable	-				-
Other current liabilities	-				-
Total Liabilities	\$ 26,219	\$ 176,372	\$ 180,926		\$ 21,665

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**SHERIFF
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS
September 30, 2016**

	Balance Oct. 1, 2015	Additions	Deductions	Balance Sept. 30, 2016
Total All Agency Funds				
Assets				
Cash and cash equivalents	\$ 221,549	\$ 2,397,290	\$ 2,342,618	\$ 276,221
Accounts receivable, net	26,219	176,372	180,926	21,665
Due from individuals	-	-	-	-
Due from other funds	648	6,775	7,166	257
Due from Board of County Comm	-	-	-	-
Due from other governmental units	-	-	-	-
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
Other current assets	-	-	-	-
Total Assets	\$ 248,416	\$ 2,580,437	\$ 2,530,710	\$ 298,143
Liabilities				
Accounts payable	\$ 910	\$ 176,372	\$ 177,282	\$ -
Accrued liabilities	-	-	-	-
Due to individuals	27,486	326,817	324,043	30,260
Due to other funds	40,166	207,683	208,676	39,173
Due to Board of County Comm	138,296	1,833,590	1,768,369	203,517
Due to other governmental units	-	-	-	-
Unearned revenues	-	-	-	-
Interest payable	-	-	-	-
Other current liabilities	41,558	35,975	52,340	25,193
Total Liabilities	\$ 248,416	\$ 2,580,437	\$ 2,530,710	\$ 298,143

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**SHERIFF
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
Wakulla 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 Wakulla County Sheriff as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Wakulla County Sheriff' special purpose financial statements, and have issued our report thereon dated May 15, 2017.

Internal Control Over Financial Reporting

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

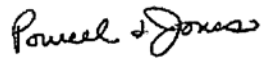
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Purpose of this Report

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



POWELL & JONES
Certified Public Accountants
May 15, 2017

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

Honorable Sheriff
Wakulla County, Florida

We have audited the special purpose fund financial statements of the Wakulla County Sheriff, as of and for the year ended September 30, 2016, and have issued our report thereon dated May 15, 2017.

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 May 15, 2017 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. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

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 Wakulla County, Florida, for the year ended September 30, 2016. The special purpose fund financial statements of the Sheriff are combined with other County agencies in that report.

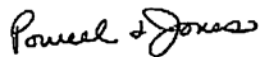
Financial Emergency Status – We determined that the Sheriff had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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 Office. We appreciate the overall high quality of the financial records and personnel in the Sheriff's Office. We also appreciate the helpful assistance, professionalism and courtesy afforded us by these employees.

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

POWELL & JONES
Certified Public Accountants
May 15, 2017

INDEPENDENT ACCOUNTANT'S REPORT

To the Sheriff
Wakulla County, Florida

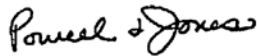
We have examined the Wakulla County, Florida's Sheriff's (the Sheriff's) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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 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 Sheriff's compliance with specified requirements.

In our opinion, the Wakulla County Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

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



POWELL & JONES
Certified Public Accountants
May 15, 2017

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2016



WAKULLA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2016**

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Supervisor of Elections
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2016, 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, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

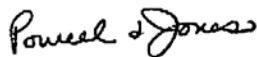
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Supervisor of Elections, as of September 30, 2016, and the results of its operations for the year then ended in conformity with accounting 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 30, 2015, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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.



POWELL & JONES
Certified Public Accountants
May 15, 2017

WAKULLA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
COMBINED BALANCE SHEET - ALL FUND TYPES
September 30, 2016

	Governmental Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	
ASSETS				
Cash and cash equivalents	\$ 141,763	\$ 16,352	\$ -	\$ 158,115
Accounts receivable, net	7	-	-	7
Due from individuals	-	-	-	-
Due from agency funds	-	-	-	-
Due from other funds	1,674	-	-	1,674
Due from other governmental units	-	-	-	-
Inventories	-	-	-	-
Prepaid expense	2,025	-	-	2,025
Other current assets	-	-	-	-
Total assets	\$ 145,469	\$ 16,352	\$ -	\$ 161,821
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	\$ 4,171	\$ -	\$ -	\$ 4,171
Accrued liabilities	9,322	-	-	9,322
Due to individuals	-	-	-	-
Due to agency funds	-	-	-	-
Due to other funds	36,564	-	-	36,564
Due to other governmental units	-	-	-	-
Unearned revenues	-	16,352	-	16,352
Interest payable	-	-	-	-
Deposits	-	-	-	-
Other current liabilities	-	-	-	-
Total liabilities	\$ 50,057	\$ 16,352	\$ -	\$ 66,409
Fund balance				
Nonspendable				
Inventories	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	2,025	-	-	2,025
Restricted	-	-	-	-
Committed	93,387	-	-	93,387
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balance	\$ 95,412	\$ -	\$ -	\$ 95,412
Total liabilities and fund balance	\$ 145,469	\$ 16,352	\$ -	\$ 161,821

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
 ALL GOVERNMENTAL FUNDS
 For the Fiscal Year Ended September 30, 2016

	General Fund	Special Revenue Funds	Totals
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-
Intergovernmental	-	4,597	4,597
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Miscellaneous	1,780	-	1,780
Interest	-	-	-
Total revenue	\$ 1,780	\$ 4,597	\$ 6,377
Expenditures			
Current			
General government	\$ 340,698	\$ 5,070	\$ 345,768
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	-	-
Capital Outlay			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	\$ 340,698	\$ 5,070	\$ 345,768
Excess (deficiency) of revenues over (under) expenditures	\$ (338,918)	(473)	\$ (339,391)
Other financing sources			
Sale of equipment	\$ -	\$ -	\$ -
Debt proceeds	-	-	-
Transfers from Board of County Commissioners	339,391	-	339,391
Transfers to other governments	-	-	-
Interfund transfer in	-	473	473
Interfund transfers out	(473)	-	(473)
Total other financing sources (uses)	\$ 338,918	473	\$ 339,391
Net change in fund balance	-	-	-
Fund balances, beginning of year	95,412	-	95,412
Fund balances, end of year	\$ 95,412	\$ -	\$ 95,412

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS NOTES TO FINANCIAL STATEMENTS September 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The Supervisor, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Supervisor’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 Supervisor is reported as a part of the primary government of Wakulla County, Florida. The Supervisor’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Supervisor are issued separately to comply with Section 218.39(2), *Florida Statutes* and Rule 10.557 (5) of Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*. This rule requires the Supervisor to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Supervisor and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America. The financial activities of the Supervisor, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

The Supervisor funds operations as a budget officer pursuant to *Florida Statutes*, Chapter 129. As a budget officer, the operations of the Supervisor relating to the Board of County Commissioners are approved and funded by the Board of County Commissioners. The budgeted receipts from the Board of County Commissioners are recorded as other financing sources in the

Supervisor's special purpose fund financial statements and as other financing uses in the Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted to the Board of County Commissioners at year end except for unexpended grant monies.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented 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 equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Supervisor are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Supervisor reports the following governmental fund types:

General Fund – The General Fund of the Supervisor is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Supervisor's Office relating to the Board of County Commissioners and any other resources not required to be accounted for in a separate 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, 2016, the Supervisor maintained the following special revenue fund:

- Florida Department of Elections Voter Education Grant

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 modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Supervisor considers revenues available if they are collected within 60 days of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 98.2% of the Supervisor's funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Supervisor; therefore, revenue is

recognized based upon the expenditures incurred. Grant revenue is recorded in this manner. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the “susceptible to accrual” criteria are met.

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, *Florida Statutes* which requires that budgets be adopted for all funds as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Supervisor’s general fund budget and special revenue fund budget for Board of County Commissioner related activity is approved and set by the annually adopted budget of the Board of County Commissioners. All budgets are adopted by the Supervisor consistent with sound financial policies and generally accepted accounting principles.

No budget amendments were made to the budget during the fiscal year. In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the “Original” budget represents the legally adopted budget on October 1 and the “Final” budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Supervisor’s cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as “Cash” on the balance sheet.

E. Inventories – It is the policy of the Supervisor to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight line method. All assets purchased by the Supervisor are reported in the Board of County Commissioner’s General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

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 Supervisor and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Supervisor and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

<u>Years of Creditable Service</u>	<u>Vacation Leave Earned Monthly</u>	<u>Sick Leave Earned Monthly</u>
1-5	9	8
6-10	11	8
11 +	13	8

Employees may not carry more than 240 hours of annual leave from one calendar year to the next. Any amounts exceeding the 240 hour limit are lost at year end. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Supervisor’s Office may be compensated for all unused annual leave up to 240 hours and employees with one or more years of service may be compensated for unused sick leave at the rate of ¼ per hour up to a maximum of 240 hours.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (15%). In the governmental funds, this current portion of 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 non-current or long-term portion is the amount estimated to be used in subsequent years (85%). This long-term portion is reported in the Board of County Commissioner’s General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS

At fiscal year end, the book amount of the Supervisor’s deposits was \$158,115. All balances were covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, *Florida Statutes*. All Supervisor deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

NOTE 3. FIXED ASSETS

The Supervisor of Election’s fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Supervisor of Elections are reported as part of the County’s financial statements and are not reported as part of the Supervisor of Election’s financial statements. The value of fixed assets for the Supervisor of Elections at year end is:

	Beginning Balance Oct. 1, 2015	Additions	Reclassifications / Deletions	Ending Balance Sept. 30, 2016
Fixed Assets				
Furniture and equipment	\$ 117,159	\$ -	\$ -	\$ 117,159
less accumulated depreciation	(117,159)	-	-	(117,159)
Fixed Assets, net	\$ -	\$ -	\$ -	\$ -

NOTE 4. LONG-TERM LIABILITIES

The Supervisor of Election’s had no capital leases or notes payable during the current year. The long-term liabilities of the Supervisor’s Office are associated with employee compensated absences. The balances due at year end are:

	Beginning Balance				Ending Balance		Due Within	Interest Paid in
	Oct. 1, 2015	Additions	Reductions	Adjustments	Sept. 30, 2016	One Year	Current Year	
Long-term liabilities								
Compensated absences	\$ 6,373	\$ 2,548			\$ 8,921	\$ 1,338	\$ -	
Total long-term liabilities	\$ 6,373	\$ 2,548	\$ -	\$ -	\$ 8,921	\$ 1,338		

The Supervisor’s Office had two operating leases during the current year, one for a postage meter and another for a copy machine. The annual future lease obligations are:

<u>Year Ending September 30,</u>	<u>Annual Obligation</u>
2017	2,328
2018	585
2019	-
2020	-
2021	-
Total	<u>\$ 2,913</u>

NOTE 5. 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 and omissions; injuries to employees and the public; or damage to property of others. The Supervisor’s Office directly purchases insurance and participates in the risk management program through Wakulla County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board of County Commissioners obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker’s Compensation
- Automobile Liability

Worker’s compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Board of County Commissioner’s experience for these type risks. The Board of County Commissioners participates in the Florida Association of Counties Trust (FACT), a public entity risk pool, for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to \$1,000,000 for each claim. There were no pending legal actions against the Supervisor’s Office as of the fiscal year end.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Supervisor’s Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238,

Florida Statutes, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Supervisor is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. The contribution rates, as a percent of gross salary, at September 30, 2016 were as follows:

FRS Contribution Rates							
<u>Class Description</u>	<u>October 1, 2015 - June 30, 2016</u>			<u>July 1, 2016 - September 30, 2016</u>			<u>% Change</u>
	<u>Employer Contribution (A)</u>	<u>Employee Contribution</u>	<u>Total Contribution</u>	<u>Employer Contribution (A)</u>	<u>Employee Contribution</u>	<u>Total Contribution</u>	
<u>Regular Class</u>	7.26%	3.00%	10.26%	7.52%	3.00%	10.52%	0.26%
<u>Senior Management Service Class</u>	21.43%	3.00%	24.43%	21.77%	3.00%	24.77%	0.34%
<u>Special Risk Class</u>	22.04%	3.00%	25.04%	22.57%	3.00%	25.57%	0.53%
<u>Special Risk Administrative Support Class</u>	32.95%	3.00%	35.95%	28.06%	3.00%	31.06%	-4.89%
<u>Elected Officers Class</u>	42.27%	3.00%	45.27%	42.47%	3.00%	45.47%	0.20%
<u>(DROP)</u>	12.88%	N/A	12.88%	12.99%	N/A	12.99%	0.11%
<u>Reemployed Retiree</u>	(B)			(B)			

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .04% for October 1 - June 30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Supervisor's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Supervisor. The Supervisor's contributions to the FRS for the fiscal years ended September 30, 2016, 2015 and 2014 were \$28,211, \$47,198, and \$40,998, respectively, which were equal to the required contributions for each fiscal year.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. 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 regarding Wakulla County's participation in the FRS, which includes the Supervisor of Elections, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

The Supervisor’s inter-fund receivables and payables at September 30, 2016 were:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Supervisor of Elections		
General Fund	\$ 1,674	\$ 36,564
Voting Grant	-	-
Total Interfund Receivable / Payable	<u>1,674</u>	<u>36,564</u>
Board of County Commissioners		
General Fund	36,564	1,674
Board of County Commissioners Total	<u>36,564</u>	<u>1,674</u>
Total Interfund Receivable / Payable	<u>\$ 38,238</u>	<u>\$ 38,238</u>

NOTE 8. CONTINGENT LIABILITIES

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

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2016, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable 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, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- 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 BOCC typically through the budgeting process.

- Unassigned – all other spendable amounts.

The Supervisor’s fund balances at September 30, 2016 are as follows:

<u>Fund Name</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total (Memorandum Only)</u>
General Fund	\$ 2,025	\$ -	\$ 93,387	\$ -	\$ -	\$ 95,412
Total	\$ 2,025	\$ -	\$ 93,387	\$ -	\$ -	\$ 95,412

WAKULLA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amount		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	\$ 6,424	\$ 6,424	\$ 1,780	\$ (4,644)
Interest	-	-	-	-
Total revenue	\$ 6,424	\$ 6,424	\$ 1,780	\$ (4,644)
Expenditures				
Current				
General government	\$ 381,906	\$ 381,906	\$ 340,698	\$ 41,208
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 381,906	\$ 381,906	\$ 340,698	\$ 41,208
Excess (deficiency) of revenues over (under) expenditures	\$ (375,482)	\$ (375,482)	\$ (338,918)	\$ 36,564
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-
Transfers from Board of County Commissioners	375,482	375,482	339,391	(36,091)
Transfers to other governments	-	-	-	-
Interfund transfer in	-	-	-	-
Interfund transfers out	-	-	(473)	(473)
Total other financing sources (uses)	\$ 375,482	\$ 375,482	\$ 338,918	\$ (36,564)
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	95,412	95,412	95,412	-
Fund balances, end of year	\$ 95,412	\$ 95,412	\$ 95,412	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amount		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-
Intergovernmental	5,000	5,000	4,597	(403)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenue	\$ 5,000	\$ 5,000	\$ 4,597	\$ (403)
Expenditures				
Current				
General government	\$ 5,000	\$ 5,000	\$ 5,070	\$ (70)
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 5,000	\$ 5,000	\$ 5,070	\$ (70)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ (473)	\$ (473)
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-
Transfers from Board of County Commissioners	-	-	-	-
Transfers to other governments	-	-	-	-
Interfund transfer in	-	-	473	473
Interfund transfers out	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ 473	\$ 473
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
September 30, 2016

	<u>Voting Grant</u>
ASSETS	
Cash and cash equivalents	\$ 16,352
Accounts receivable, net	-
Due from individuals	-
Due from agency funds	-
Due from other funds	-
Due from other governmental units	-
Inventories	-
Prepaid expense	-
Other current assets	-
Total assets	\$ 16,352
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ -
Accrued liabilities	-
Due to individuals	-
Due to agency funds	-
Due to other funds	-
Due to other governmental units	-
Unearned revenues	16,352
Interest payable	-
Deposits	-
Other current liabilities	-
Total liabilities	\$ 16,352
Fund balance	
Nonspendable	
Inventories	\$ -
Prepaid expenses	-
Restricted	-
Committed	-
Assigned	-
Unassigned	-
Total fund balance	\$ -
Total liabilities and fund balance	\$ 16,352

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2016

	<u>Voting Grant</u>
Revenue	
Taxes	\$ -
Licenses, permits, special assessments	-
Intergovernmental	4,597
Charges for services	-
Fines and forfeitures	-
Miscellaneous	-
Interest	-
Total revenue	<u>\$ 4,597</u>
Expenditures	
Current	
General government	\$ 5,070
Public safety	-
Physical environment	-
Transportation	-
Economic environment	-
Human services	-
Culture and recreation	-
Court related	-
Capital Outlay	
General government	-
Public safety	-
Physical environment	-
Transportation	-
Economic environment	-
Human services	-
Culture and recreation	-
Court related	-
Debt Service	
Principal	-
Interest	-
Total Expenditures	<u>\$ 5,070</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (473)</u>
Other financing sources	
Sale of equipment	\$ -
Debt Proceeds	-
Transfers from Board of County Commissioners	-
Transfers to other governments	-
Interfund transfer in	473
Interfund transfers out	-
Total other financing sources (uses)	<u>\$ 473</u>
Net change in fund balance	-
Fund balances, beginning of year	-
Fund balances, end of year	<u>\$ -</u>

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
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
Wakulla 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 Wakulla County Supervisor of Elections as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Wakulla County Supervisor of Elections' special purpose fund financial statements, and have issued our report thereon dated May 15, 2017.

Internal Control Over Financial Reporting

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

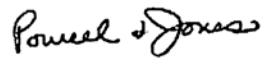
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Purpose of this Report

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



POWELL & JONES
Certified Public Accountants
May 15, 2017

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

Honorable Supervisor of Elections
Wakulla County, Florida

We have audited the financial statements of the Wakulla County Supervisor of Elections, as of and for the year ended September 30, 2016, and have issued our report thereon dated May 15, 2017.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 15, 2017. 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 Wakulla County, Florida, for the year ended September 30, 2016. The financial statements of the Supervisor of Elections are combined with other County agencies in that report.

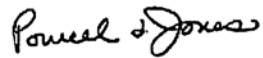
Financial Emergency Status – We have determined that the Supervisor of Elections did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment 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 Supervisor of Elections and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Supervisor of Elections. We appreciate the helpful assistance of Supervisor of Elections staff in completing our audit and also the generally high quality of the Supervisor of Elections' financial records and internal control. We also appreciate the helpful assistance and courtesy afforded us by these employees.

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

POWELL & JONES
Certified Public Accountants
May 15, 2017

INDEPENDENT ACCOUNTANT'S REPORT

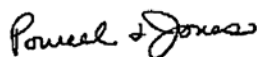
To the Honorable Supervisor of Elections
Wakulla County, Florida

We have examined the Wakulla County, Florida's Supervisor of Elections' (the Supervisor of Elections) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' 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 of Elections' 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 Supervisor of Elections' compliance with specified requirements.

In our opinion, the Wakulla County Supervisor of Elections complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

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



POWELL & JONES
Certified Public Accountants
May 15, 2017

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WAKULLA COUNTY, FLORIDA

TAX COLLECTOR ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2016



WAKULLA COUNTY, FLORIDA

**TAX COLLECTOR
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2016**

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INDEPENDENT AUDITOR'S REPORT

Honorable Tax Collector
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Tax Collector (the Tax Collector), as of and for the year ended September 30, 2016, 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 Tax Collector is part of the reporting entity, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

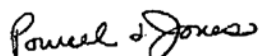
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Tax Collector, as of September 30, 2016, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 15, 2017, 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 individual and 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.



POWELL & JONES
Certified Public Accountants
May 15, 2017

WAKULLA COUNTY, FLORIDA

**TAX COLLECTOR
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR
 COMBINED BALANCE SHEET - ALL FUND TYPES
 September 30, 2016

	Governmental Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	
ASSETS				
Cash and cash equivalents	\$ 1,172	\$ -	\$ 382,614	\$ 383,786
Accounts receivable, net	-	-	-	-
Due from individuals	-	-	-	-
Due from agency funds	-	-	-	-
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Inventories	-	-	-	-
Prepaid expense	-	-	-	-
Other current assets	-	-	-	-
Total assets	\$ 1,172	\$ -	\$ 382,614	\$ 383,786
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to individuals	-	-	1,655	1,655
Due to agency funds	-	-	-	-
Due to other funds	138	-	33,513	33,651
Due to other governmental units	-	-	324,807	324,807
Unearned revenues	-	-	-	-
Interest payable	-	-	-	-
Deposits	-	-	-	-
Other current liabilities	1,034	-	22,639	23,673
Total liabilities	\$ 1,172	\$ -	\$ 382,614	\$ 383,786
Fund balance				
Nonspendable				
Inventories	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balance	\$ -	\$ -	\$ -	\$ -
Total liabilities and fund balance	\$ 1,172	\$ -	\$ 382,614	\$ 383,786

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2016

	General Fund	Special Revenue Funds	Totals
Revenue			
Taxes	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-
Intergovernmental	-	-	-
Charges for services	37,867	-	37,867
Fines and forfeitures	-	-	-
Miscellaneous	5,900	-	5,900
Interest	-	-	-
Total revenue	\$ 43,767	\$ -	\$ 43,767
Expenditures			
Current			
General Government	\$ 727,737	\$ -	\$ 727,737
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	-	-
Capital Outlay			
General government	40,400	-	40,400
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court related	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	\$ 768,137	\$ -	\$ 768,137
Excess (deficiency) of revenues over (under) expenditures	\$ (724,370)	\$ -	\$ (724,370)
Other financing sources			
Sale of equipment	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-
Transfers from Board of County Commissioners	724,370	-	724,370
Transfers to other governments	-	-	-
Interfund transfer in	-	-	-
Interfund transfers out	-	-	-
Total other financing sources (uses)	\$ 724,370	\$ -	\$ 724,370
Net change in fund balance	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR NOTES TO FINANCIAL STATEMENTS September 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Wakulla County Tax Collector (the Tax Collector).

A. Reporting Entity – The Governmental Accounting Standards Board (GASB) on its Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 39 “Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement 14”, establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state or local level. Financial reporting by 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 Wakulla County, Florida. The Tax Collector’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Tax Collector are issued separately to comply with Section 218.39(2), *Florida Statutes* and Rule 10.557 (5) of Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*. This rule requires the Tax Collector to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Tax Collector and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America. The financial activities of the Tax Collector, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

The Tax Collector funds operations as a budget officer pursuant to *Florida Statutes*, Chapter 129. As a budget officer, the operations of the Tax Collector relating to the Board of County Commissioners are approved and funded by the Board of County Commissioners. The budgeted receipts from the Board of County Commissioners are recorded as other financing sources in the Tax Collector’s special purpose fund financial statements and as other financing uses in the

Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted to the Board of County Commissioners at year end.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented 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 equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Tax Collector are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Tax Collector reports the following governmental fund types:

General Fund – The General Fund of the Tax Collector is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Tax Collector's Office relating to the Board of County Commissioners and any other resources not required to be accounted for in a separate fund.

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 modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Tax Collector considers revenues available if they are collected within 60 days of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 94.3% of the Tax Collector's funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Tax Collector; therefore, revenue is recognized based upon the expenditures incurred. Grant revenue is recorded in this manner. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the "susceptible to accrual" criteria are met.

2. Fiduciary Funds

Agency Funds – Agency funds are used to account for assets held by the Tax Collector as an agent for individuals, other County funds, and other governmental units. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Tax Collector functions purely as an agent for others in the maintenance of these funds. The Tax Collector reports the following agency funds:

- Bankruptcy Fund
- Boating & Occupational License Fund
- Delinquent Tax Fund
- Hunting and Fishing Fund
- Tag Fund
- Tax Fund
- Tax Escrow Fund

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, *Florida Statutes* which requires that budgets be adopted for all funds as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Tax Collector’s general fund budget for Board of County Commissioner related activity is approved and set by the annually adopted budget of the Board of County Commissioners and is consistent with sound financial policies and generally accepted accounting principles.

No budget amendments were made to the budget during the fiscal year. In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the “Original” budget represents the legally adopted budget on October 1 and the “Final” budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Tax Collector’s cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as “Cash” on the balance sheet.

E. 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 is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight line method. All assets purchased by the Tax Collector are reported in the Board of County Commissioner’s General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

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 Tax Collector and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Tax Collector and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

<u>Years of Creditable Service</u>	<u>Vacation Leave Earned Monthly</u>	<u>Sick Leave Earned Monthly</u>
1-5	9	8
6-10	11	8
11 +	13	8

Employees may not carry more than 240 hours of annual leave from one calendar year to the next. Any amounts exceeding the 240 hour limit are lost at year end. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Tax Collector’s Office may be compensated for all unused annual leave up to 240 hours and employees with one or more years of service may be compensated for unused sick leave at the rate of ¼ per hour up to a maximum of 240 hours.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (15%). In the governmental funds, this current portion of 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 non-current or long-term portion is the amount estimated to be used in subsequent years (85%). This long-term portion is reported in the Board of County Commissioner’s General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS

At fiscal year end, the book amount of the Tax Collector’s deposits was \$383,786. Of the bank balances, \$250,000 was covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, *Florida Statutes*. All Tax Collector deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

NOTE 3. FIXED ASSETS

The Tax Collector’s fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Tax Collector are reported as part of the County’s financial statements and are not reported as part of the Tax Collector’s financial statements. The value of fixed assets for the Tax Collector at year end is:

	Beginning Balance		Reclassifications /	Ending Balance
	Oct. 1, 2015	Additions	Deletions	Sept. 30, 2016
Fixed Assets				
Furniture and equipment	\$ 52,936	\$ 40,400	\$ 29,500	\$ 122,836
less accumulated depreciation	(41,136)	(13,980)	23,500	(31,616)
Fixed Assets, net	\$ 11,800	\$ 26,420	\$ 53,000	\$ 91,220

NOTE 4. LONG-TERM LIABILITIES

The Tax Collector had no capital leases or notes payable at year end. The long-term liabilities of the Tax Collector’s Office are associated with employee compensated absences. The balances due at year end are:

Long-term liabilities	Beginning	Additions	Reductions	Adjustments	Ending	Due Within	Interest Paid in
	Balance				Balance		
	Oct. 1, 2015				Sept. 30, 2016		
Compensated absences	\$ 15,987	\$ 12,434			\$ 28,421	\$ 4,263	\$ -
Total long-term liabilities	\$ 15,987	\$ 12,434	\$ -	\$ -	\$ 28,421	\$ 4,263	

The Tax Collector's Office had one operating lease during the current year for a postage/mailing system. The annual future lease obligations are:

<u>Year Ending</u> <u>September 30,</u>	<u>Annual</u> <u>Obligation</u>
2017	\$ 4,005
2018	3,204
2019	3,204
2020	3,204
2021	-
Total	\$ 13,617

NOTE 5. RISK MANAGEMENT

The Tax Collector is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Tax Collector's Office directly purchases insurance and participates in the risk management program through Wakulla County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board of County Commissioners obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker's Compensation
- Automobile Liability

Worker's compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Board of County Commissioner's experience for these type risks.

The Board of County Commissioners participates in the Florida Association of Counties Trust (FACT), a public entity risk pool, for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to \$1,000,000 for each claim. There were no pending legal actions against the Tax Collector's Office as of the fiscal year end.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Tax Collector’s Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238, *Florida Statutes*, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Tax Collector is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. The contribution rates, as a percent of gross salary, at September 30, 2016 were as follows:

Class Description	FRS Contribution Rates						
	October 1, 2015 - June 30, 2016			July 1, 2016 - September 30, 2016			% Change
	Employer Contribution (A)	Employee Contribution	Total Contribution	Employer Contribution (A)	Employee Contribution	Total Contribution	
<u>Regular Class</u>	7.26%	3.00%	10.26%	7.52%	3.00%	10.52%	0.26%
<u>Senior Management Service Class</u>	21.43%	3.00%	24.43%	21.77%	3.00%	24.77%	0.34%
<u>Special Risk Class</u>	22.04%	3.00%	25.04%	22.57%	3.00%	25.57%	0.53%
<u>Special Risk Administrative Support Class</u>	32.95%	3.00%	35.95%	28.06%	3.00%	31.06%	-4.89%
<u>Elected Officers Class</u>	42.27%	3.00%	45.27%	42.47%	3.00%	45.47%	0.20%
<u>(DROP)</u>	12.88%	N/A	12.88%	12.99%	N/A	12.99%	0.11%
<u>Reemployed Retiree</u>	(B)			(B)			

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .04% for October 1 - June30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Tax Collector’s liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Tax

Collector. The Tax Collector's contributions to the FRS for the fiscal years ended September 30, 2016, 2015 and 2014 were \$76,466, \$76,781, and \$69,554, respectively, which were equal to the required contributions for each fiscal year.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. 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 regarding Wakulla County's participation in the FRS, which includes the Tax Collector, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

The inter-fund receivables and payables at year end were:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Tax Collector		
General Fund		\$ 138
Bankruptcy Agency Fund		-
Boating & Occupational License Agency Fund		17,641
Delinquent Tax Agency Fund		58
Hunting & Fishing Fund		-
Tag Agency Fund		15,240
Tax Agency Fund		483
Tax Escrow fund		91
Total Interfund Receivable / Payable	<u>-</u>	<u>33,651</u>
Board of County Commissioners		
General Fund	32,053	
Boating Fund	1,598	
Board of County Commissioners Total	<u>33,651</u>	<u>-</u>
Total Interfund Receivable / Payable	<u>\$ 33,651</u>	<u>\$ 33,651</u>

NOTE 8. CONTINGENT LIABILITIES

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

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2016, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable 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, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- 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 BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts.

There were no fund balances held by the Tax Collector at year end.

WAKULLA COUNTY, FLORIDA

**TAX COLLECTOR
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amount		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	37,730	37,730	37,867	137
Fines and forfeitures	-	-	-	-
Miscellaneous	5,900	5,900	5,900	-
Interest	-	-	-	-
Total revenue	\$ 43,630	\$ 43,630	\$ 43,767	\$ 137
Expenditures				
Current				
General Government	\$ 728,000	\$ 728,000	\$ 727,737	\$ 263
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay				
General government	40,000	40,000	40,400	(400)
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	\$ 768,000	\$ 768,000	\$ 768,137	\$ (137)
Excess (deficiency) of revenues over (under) expenditures	\$ (724,370)	\$ (724,370)	\$ (724,370)	\$ -
Other financing sources				
Sale of equipment	\$ -	\$ -	\$ -	\$ -
Debt proceeds	-	-	-	-
Transfers from Board of County Commissioners	724,370	724,370	724,370	-
Transfers to other governments	-	-	-	-
Interfund transfer in	-	-	-	-
Interfund transfers out	-	-	-	-
Total other financing sources (uses)	\$ 724,370	\$ 724,370	\$ 724,370	\$ -
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR
 COMBINING BALANCE SHEET - ALL AGENCY FUNDS
 September 30, 2016

	<u>Bankruptcy</u>	<u>Boating & Occupational License</u>	<u>Delinquent Tax</u>	<u>Hunting & Fishing</u>	<u>Tag</u>	<u>Tax</u>	<u>Tax Escrow</u>	<u>Totals</u>
ASSETS								
Cash and cash equivalents	\$ 22,623	\$ 17,843	\$ 1,656	\$ 676	\$ 52,880	\$ 499	\$ 286,437	\$ 382,614
Accounts receivable, net	-	-	-	-	-	-	-	-
Due from individuals	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-	-
Total assets	\$ 22,623	\$ 17,843	\$ 1,656	\$ 676	\$ 52,880	\$ 499	\$ 286,437	\$ 382,614
LIABILITIES AND FUND BALANCE								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-	-
Due to individuals	-	-	1,598	-	-	-	57	1,655
Due to other funds	-	17,641	58	-	15,240	483	91	33,513
Due to other governmental units	-	202	-	676	37,640	-	286,289	324,807
Unearned revenues	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
Other current liabilities	22,623	-	-	-	-	16	-	22,639
Total liabilities	\$ 22,623	\$ 17,843	\$ 1,656	\$ 676	\$ 52,880	\$ 499	\$ 286,437	\$ 382,614
Fund balance								
Nonspendable								
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities and fund balance	\$ 22,623	\$ 17,843	\$ 1,656	\$ 676	\$ 52,880	\$ 499	\$ 286,437	\$ 382,614

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 ALL AGENCY FUNDS
 September 30, 2016

	Balance Oct. 1, 2015	Additions	Deductions	Balance Sept. 30, 2016
ASSETS				
Cash and cash equivalents	\$ 381,862	\$ 58,133,943	\$ 58,133,191	\$ 382,614
Accounts receivable, net	-	-	-	-
Due from individuals	-	-	-	-
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
Other current assets	-	-	-	-
Total assets	\$ 381,862	\$ 58,133,943	\$ 58,133,191	\$ 382,614
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable	\$ -	\$ 22,884,061	\$ 22,884,061	\$ -
Accrued liabilities	-	-	-	-
Due to individuals	973	6,265,208	6,264,526	1,655
Due to other funds	36,293	366,513	369,293	33,513
Due to other governmental units	321,607	27,627,318	27,624,118	324,807
Unearned revenues	-	-	-	-
Interest payable	-	-	-	-
Other current liabilities	22,989	990,843	991,193	22,639
Total liabilities	\$ 381,862	\$ 58,133,943	\$ 58,133,191	\$ 382,614
Total net assets	-	-	-	-
Total liabilities and net assets	\$ 381,862	\$ 58,133,943	\$ 58,133,191	\$ 382,614

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**TAX COLLECTOR
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
Wakulla 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 Wakulla County Tax Collector as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Wakulla County Tax Collector's special purpose financial statements, and have issued our report thereon dated May 15, 2017.

Internal Control Over Financial Reporting

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

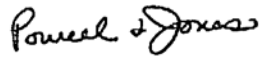
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
May 15, 2017

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

Honorable Tax Collector
Wakulla County, Florida

We have audited the financial statements of the Wakulla County Tax Collector, as of and for the year ended September 30, 2016, and have issued our report thereon dated May 15, 2017.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 15, 2017. 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 Wakulla County, Florida, for the year ended September 30, 2016. The financial statements of the Tax Collector are combined with other County agencies in that report.

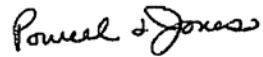
Financial Emergency Status - We have determined that the Tax Collector did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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

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

CONCLUSION

We have reviewed information regarding our audit with the Tax Collector and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Tax Collector. We appreciate the helpful assistance of 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 handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
May 15, 2017

INDEPENDENT ACCOUNTANT'S REPORT

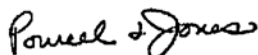
To the Honorable Tax Collector
Wakulla County, Florida

We have examined the Wakulla County, Florida's Tax Collector's (the Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. 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 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 Supervisor of Elections' compliance with specified requirements.

In our opinion, the Wakulla County Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

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



POWELL & JONES
Certified Public Accountants
May 15, 2017

WAKULLA COUNTY, FLORIDA

END OF CONSTITUTIONAL OFFICERS ANNUAL FINANCIAL REPORTS

For the Fiscal Year Ended September 30, 2016