

NASSAU COUNTY TAX COLLECTOR
Nassau County, Florida

**FINANCIAL STATEMENTS
AND AUDITOR'S REPORTS**

SEPTEMBER 30, 2017



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September 30, 2017**

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INDEPENDENT AUDITOR'S REPORT

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund and the aggregate remaining fund information of the Nassau County, Florida, Tax Collector (the "Tax Collector"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Tax Collector's special purpose financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 general fund and the aggregate remaining fund information of the Tax Collector as of September 30, 2017, and the respective changes in financial position and budgetary comparison for the general fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (the "*Rules*"). In conformity with the *Rules*, the accompanying financial statements are intended to present the financial position, changes in financial position, and budgetary comparisons of each major fund and the aggregate remaining fund information, where applicable, only for that portion of the major funds and the aggregate remaining fund information of Nassau County, Florida, that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position as a whole of Nassau County, Florida as of September 30, 2017, and the changes in its financial position, or budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tax Collector's special purpose financial statements. The other financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

The other financial information 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. Such 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 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 other financial information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2018, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Tax Collector's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

Carri Riggs & Ingram, L.L.C.

April 16, 2018
Jacksonville, Florida

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**Nassau County Tax Collector
Balance Sheet - General Fund
September 30, 2017**

ASSETS

Cash	\$ 308,720
Due from agency fund	58,595
TOTAL ASSETS	\$ 367,315

LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE

Liabilities

Accounts payable	\$ 8,799
Due to Board of County Commissioners	311,875
Due to agency fund	115
Due to other governments	9,242
Total liabilities	330,031

Deferred inflows of resources

Unavailable revenue	37,284
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Fund balance

	-
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 367,315

The accompanying notes are an integral part of these financial statements.

Nassau County Tax Collector
Statement of Revenues, Expenditures and Changes in Fund Balance -
General Fund
Year Ended September 30, 2017

Revenues	
Charges for services	\$ 1,029,280
Miscellaneous	10,399
Total revenues	1,039,679
Expenditures	
Current:	
General government:	
Salaries and benefits	2,105,574
Operating expenditures	763,184
Capital outlay	34,251
Total expenditures	2,903,009
(Deficiency) of revenues over (under) expenditures	(1,863,330)
Other financing sources (uses)	
Transfers in from Board of County Commissioners	2,173,105
Transfers (out) to Board of County Commissioners	(309,775)
Total other financing sources (uses)	1,863,330
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, beginning of year	\$ -

The accompanying notes are an integral part of these financial statements.

Nassau County Tax Collector
Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Charges for services	\$ 1,054,092	\$ 1,054,092	\$ 1,029,280	\$ (24,812)
Miscellaneous	9,000	9,000	10,399	1,399
Total revenues	1,063,092	1,063,092	1,039,679	(23,413)
Expenditures				
Current:				
General government:				
Salaries and benefits	2,170,338	2,170,338	2,105,574	64,764
Operating expenditures	793,234	793,234	763,184	30,050
Capital outlay	38,675	38,675	34,251	4,424
Total expenditures	3,002,247	3,002,247	2,903,009	99,238
(Deficiency) of revenues over (under) expenditures	(1,939,155)	(1,939,155)	(1,863,330)	75,825
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	2,195,038	2,195,038	2,173,105	(21,933)
Transfers (out) to Board of County Commissioners	(255,883)	(255,883)	(309,775)	(53,892)
Total other financing sources (uses)	1,939,155	1,939,155	1,863,330	(75,825)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

Nassau County Tax Collector
Statement of Fiduciary Assets and Liabilities -
Agency Fund
September 30, 2017

ASSETS

Cash	\$ 2,905,247
Due from general fund	115
Due from others	111,827

TOTAL ASSETS **\$ 3,017,189**

LIABILITIES

Due to general fund	\$ 58,595
Due to Board of County Commissioners	402,806
Due to other governments	267,947
Undistributed collections	2,287,841

TOTAL LIABILITIES **\$ 3,017,189**

The accompanying notes are an integral part of these financial statements.



Nassau County Tax Collector Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Nassau County Tax Collector (the “Tax Collector”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

Nassau County, Florida (the “County”) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the “Board”). The Tax Collector is an elected constitutional officer of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Tax Collector is an integral part of Nassau County, which is the primary government for financial reporting purposes. The Florida Department of Revenue approves the Tax Collector’s total operating budget, the Tax Collector is responsible for the administration and operation of the Tax Collector’s office, and the Tax Collector’s special purpose financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County.

The Tax Collector operates as a Fee Officer. Upon approval of the operating budget, revenues are collected from fees and from commissions earned for the collection of taxes and special assessments for the various Nassau County taxing authorities pursuant to Section 192.091(2), *Florida Statutes*. Any excess revenues received over expenditures made are remitted at year end to the taxing districts.

Basis of Presentation

The Tax Collector’s financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (the “Rules”). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the *Rules*, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management’s discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Tax Collector has no nonmajor funds.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Tax Collector reports the following major governmental fund:

- **General Fund** - The general fund is the general operating fund of the Tax Collector. It is used to account for all financial resources, except for those required to be accounted for in another fund.

Additionally, the Tax Collector reports the following fiduciary fund:

- **Agency Fund** - The agency fund is used to account for assets held by the Tax Collector as an agent for individuals, private organizations, and other governments. The agency fund is custodial in nature and does not involve measurement of changes in financial position.

Fund Balance

The Tax Collector follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Tax Collector is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement 54 are as follows:

- **Nonspendable Fund Balance** - Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted Fund Balance** - Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance** - Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Tax Collector's highest level of decision-making authority, which is a policy of the Tax Collector. Committed amounts cannot be used for any other purpose unless the Tax Collector removes those constraints by taking the same type of action.
- **Assigned Fund Balance** - Assigned fund balances are amounts that are constrained by the Tax Collector's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.
- **Unassigned Fund Balance** - Unassigned fund balance is the residual classification for the General Fund.

The Tax Collector's policy is to expend resources in the following order: restricted, committed, assigned and unassigned.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Basis of accounting refers to when revenues and expenditures 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 applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Budgetary Requirement

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the *Florida Statutes*. An annual budget is approved by the Florida Department of Revenue for the general fund. Budget to actual comparisons are provided in the financial statements for the general fund, where the Tax Collector has legally adopted an annual budget. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting.

The Tax Collector's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Capital Assets and Long-Term Liabilities

Capital assets used by the Tax Collector are recorded and accounted for by the Nassau County Board of County Commissioners.



Nassau County Tax Collector Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(concluded)*

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the government-wide financial statements of the County.

Property Tax Collections

Property tax collections are governed by Chapter 197, *Florida Statutes*, as follows:

- **Current Taxes** - All property taxes become due and payable on November 1, and are considered to be delinquent on April 1 of the following year. Discounts of 4%, 3%, 2%, and 1% are allowed for early payment in November, December, January and February, respectively.
- **Unpaid Taxes - Sale of Tax Certificates** - The Tax Collector advertises, as required by *Florida Statutes*, then sells tax certificates on all real property for unpaid taxes. Certificates not purchased are issued to the County. Any person owning real property upon which a tax certificate has been sold may reacquire the real property by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.
- **Tax Deeds** - The owner of a tax certificate may, after two years when the taxes have been delinquent (after April 1), file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent (after April 1). Tax deeds are issued to the highest bidder for the property, which is sold at public auction. The Clerk of the Circuit Court administers these sales.

Deferred Inflows/Unearned Revenue

Deferred inflows represent revenues that have been earned, but are not available because they were received more than 30 days after year end. Unearned revenue represents the portion of biennial service fees attributable to future years.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2: DEPOSITS AND INVESTMENTS

Deposits

All deposits of the Tax Collector are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security for Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely collateralized throughout the fiscal year.

Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, *Florida Statutes*, no public depositor shall be liable for any loss thereof. All of the cash funds of the Tax Collector are deposited in accordance with *Florida Statutes* 280 and 218.415, and Nassau County Resolution 95-144.

NOTE 3: 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; and natural disasters for which the Tax Collector carries commercial insurance. There were no significant reductions in insurance coverage from prior years. Settled claims resulting from the risks described above have not exceeded the insurance coverage during the previous three years.

NOTE 4: PENSION AND POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Florida Retirement System (FRS) Pension Benefits

The Tax Collector participates in the Florida Retirement System (FRS) for pension benefits. A detailed plan description and any liability for employees of the Tax Collector are included in the financial statements of the County.

Postemployment Benefits other than Pension Benefits

The Tax Collector participates in the plan established by the Board of County Commissioners to provide other post-employment benefits to retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Tax Collector are included in the financial statements of the County.

**Nassau County Tax Collector
Notes to Financial Statements**

NOTE 5: INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at September 30, 2017, are as follows:

	Due from Other Funds	Due to Other Funds
General fund	\$ 58,595	\$ 115
Fiduciary:		
Agency fund	115	58,595
Totals	\$ 58,710	\$ 58,710

NOTE 6: LEASE AGREEMENTS

Equipment Leases

During the year ended September 30, 2017, the Tax Collector executed two lease agreements with Pitney Bowes for various mailing equipment. Lease periods are for 60 months through fiscal year 2022. Quarterly payments due under the leases are \$1,006 and \$344, respectively.

The Tax Collector also has various lease agreements with Canon Business Solutions for copier equipment and a check scanner. Monthly lease payments due under the agreements range from \$92 to \$354, with lease periods from 36 months to 48 months expiring at various dates through July 2019.

Equipment lease payments totaled \$14,199 during the fiscal year ended September 30, 2017.

Future minimum payments due under the equipment lease agreements for fiscal years succeeding September 30, 2017, are as follows:

<i>Year Ending September 30,</i>	Amount
2018	\$ 15,720
2019	10,327
2020	5,400
2021	5,400
2022	1,350
Total	\$ 38,197

**Nassau County Tax Collector
Notes to Financial Statements**

NOTE 6: LEASE AGREEMENTS (continued)

Building Leases

The Tax Collector has a sublease agreement with the Florida Department of Highway Safety and Motor Vehicles for the establishment and operation of a driver's license office and an administration office. The lease period is for 35 years commencing on March 24, 2008 and ending March 23, 2043. Lease payments are \$25 per month. Upon termination or expiration of this sublease, the premises and improvements are to be surrendered to the Tax Collector.

The Tax Collector leases office space for a branch location in Callahan, Florida. The original lease term expired March 14, 2016. The lease was extended for an additional five-year period from March 15, 2016 through March 14, 2021, under an option to extend the lease for two consecutive lease periods. Current monthly lease payments under the lease are \$3,163, including common area maintenance charges.

The Tax Collector also leases office space for a branch location in Hilliard, Florida. The lease agreement requires monthly lease payments of \$500 and can be terminated upon sixty days' written notice by either party.

Rent expense under the building leases totaled \$43,492 for the year ended September 30, 2017.

Future minimum lease payments under the building lease agreements are as follows:

<i>Year Ending September 30,</i>	Amount
2018	\$ 43,879
2019	38,793
2020	39,738
2021	20,970
2022	300
Thereafter	6,150
Total	\$ 149,830

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**ADDITIONAL ELEMENTS REQUIRED BY THE
RULES OF THE AUDITOR GENERAL**



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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*

The Honorable John Drew
Nassau County Tax Collector
Nassau 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 office of the Nassau County Tax Collector (the "Tax Collector"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Tax Collector's special purpose financial statements, and have issued our report thereon dated April 16, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Tax Collector'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 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 Tax Collector'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 Tax Collector's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Caru, Riggs & Ingram, L.L.C.

April 16, 2018

Jacksonville, Florida

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, *FLORIDA STATUTES*

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

We have examined Nassau County, Florida, Tax Collector's (the "Tax Collector") compliance with the requirements of Section 218.415, *Florida Statutes, Local Government Investment Policies*, during the year ended September 30, 2017. Management of the Tax Collector is responsible for the entity's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Tax Collector complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Tax Collector complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2017.

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

Carr, Riggs & Ingram, L.L.C.

April 16, 2018
Jacksonville, Florida



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MANAGEMENT LETTER

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund of the Nassau County, Florida, Tax Collector (the "Tax Collector"), as of and for the year ended September 30, 2017, and have issued our report thereon dated April 16, 2018.

Auditors' Responsibility

We conducted our audit 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 Auditor General*.

Other Reporting Requirements

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*; and Independent Accountant's Report on our examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated April 16, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no such findings or recommendations made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Tax Collector was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Tax Collector.

Financial Management

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Tax Collector and applicable management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and professional courtesy extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carly Riggs & Ingram, L.L.C.

April 16, 2018
Jacksonville, Florida