

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
AND COUNTY COMPTROLLER**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2017

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
Year Ended September 30, 2017**

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INDEPENDENT AUDITORS' REPORT

Honorable Karen E. Rushing
Clerk of the Circuit Court and County Comptroller
Sarasota County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of Sarasota County, Florida, Clerk of the Circuit Court and County Comptroller (the Clerk), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Clerk's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each major fund and the aggregate remaining fund information of the Clerk, as of September 30, 2017, and the changes in financial position and budgetary comparison for each major fund thereof for the year then ended in conformity 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. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2017, and the changes in its financial position for the fiscal 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

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the financial statements in the appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's financial statements. The combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining statements are the responsibility of management and were derived from and relate 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 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 combining statements are fairly stated, in all material respects, in relation to the financial statements as a whole.

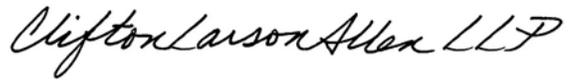
Honorable Karen E. Rushing
Clerk of the Circuit Court and County Comptroller

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2018, on our consideration of the Clerk'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 result of that testing, and not to provide an opinion on the effectiveness of the Clerk'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 Clerk's internal control over financial reporting and compliance.



Shinn & Company LLC
Bradenton, Florida



CliftonLarsonAllen LLP
Tampa, Florida

February 13, 2018

Financial Statements

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
BALANCE SHEET – GOVERNMENTAL FUNDS
September 30 2017**

	Major Funds			Total Governmental Funds
	General Fund	Public Records Trust Fund	Court Related Functions	
Assets				
Cash and cash equivalents	\$ 2,383,014	\$ 2,719,214	\$ 774,084	\$ 5,876,312
Due from other funds	11,394	-	-	11,394
Due from other county governments	281	49	157	487
Due from other governments	55,815	-	9,880	65,695
Prepaid Expenses	1,493	-	-	1,493
Total assets	\$ 2,451,997	\$ 2,719,263	\$ 784,121	\$ 5,955,381
Liabilities and fund balance				
Liabilities:				
Accounts payable	\$ 881,534	\$ 39,273	\$ 86,565	\$ 1,007,372
Wages and benefits payable	224,354	26,744	210,890	461,988
Due to other county governments	1,194,476	-	6,101	1,200,577
Due to other governments	151,633	-	474,886	626,519
Total liabilities	2,451,997	66,017	778,442	3,296,456
Fund balance:				
Nonspendable	1,493	-	-	1,493
Restricted	-	2,653,246	5,679	2,658,925
Unassigned	(1,493)	-	-	(1,493)
Total fund balance	-	2,653,246	5,679	2,658,925
Total liabilities and fund balance	\$ 2,451,997	\$ 2,719,263	\$ 784,121	\$ 5,955,381

See notes to financial statements.

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS
Year Ended September 30, 2017**

	Major Funds			Total Governmental Funds
	General Fund	Public Records Trust Fund	Court Related Functions	
Revenues:				
Board of County Commissioners appropriations	\$ 8,027,066	\$ -	\$ -	\$ 8,027,066
State of Florida appropriations	-	-	746,278	746,278
Intergovernmental	302,055	-	-	302,055
Charges for services	3,018,938	1,184,757	5,309,255	9,512,950
Fines and forfeitures	-	207,277	1,319,568	1,526,845
Interest income	5,713	5,884	146,002	157,599
Total revenues	11,353,772	1,397,918	7,521,103	20,272,793
Expenditures:				
Current - general government:				
Personal services	6,978,492	323,363	7,007,715	14,309,570
Operating expenditures	2,768,135	794,037	511,179	4,073,351
Capital outlay	428,165	9,642	1,579	439,386
Total expenditures	10,174,792	1,127,042	7,520,473	18,822,307
Excess (deficiency) of revenues over expenditures	1,178,980	270,876	630	1,450,486
Other financing sources (uses):				
Distribution of excess revenues:				
Board of County Commissioners	(1,178,980)	-	-	(1,178,980)
Total other financing sources (uses)	(1,178,980)	-	-	(1,178,980)
Net change in fund balance	-	270,876	630	271,506
Fund balance, beginning of year	-	2,382,370	5,049	2,387,419
Fund balance, end of year	\$ -	\$ 2,653,246	\$ 5,679	\$ 2,658,925

See notes to financial statements.

**SARASOTA COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGE IN FUND BALANCE –
 BUDGET AND ACTUAL – GENERAL FUND
 Year Ended September 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Board of County Commissioners appropriations	\$ 7,804,764	\$ 8,026,991	\$ 8,027,066	\$ 75
Intergovernmental	413,261	413,261	302,055	(111,206)
Charges for services	2,684,752	2,854,752	3,018,938	164,186
Interest income	2,726	2,726	5,713	2,987
Total revenues	<u>10,905,503</u>	<u>11,297,730</u>	<u>11,353,772</u>	<u>56,042</u>
Expenditures:				
Current - general government				
Personal services	8,429,175	7,747,474	6,978,492	768,982
Operating expenditures	2,266,328	3,103,937	2,768,135	335,802
Capital outlay	210,000	446,319	428,165	18,154
Total expenditures	<u>10,905,503</u>	<u>11,297,730</u>	<u>10,174,792</u>	<u>1,122,938</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>1,178,980</u>	<u>1,178,980</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Distribution of excess revenues:				
Board of County Commissioners	-	-	(1,178,980)	(1,178,980)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,178,980)</u>	<u>(1,178,980)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

**SARASOTA COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGE IN FUND BALANCE –
 BUDGET AND ACTUAL – PUBLIC RECORDS TRUST FUND
 Year Ended September 30, 2017**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,126,426	\$ 1,126,426	\$ 1,184,757	\$ 58,331
Fines and forfeitures	322,125	322,125	207,277	(114,848)
Interest income	2,577	2,577	5,884	3,307
Total revenues	1,451,128	1,451,128	1,397,918	(53,210)
Expenditures:				
Current - General government				
Personal Services	1,013,422	1,010,522	323,363	687,159
Operating expenditures	775,839	1,172,339	794,037	378,302
Capital outlay	108,000	117,900	9,642	108,258
Total expenditures	1,897,261	2,300,761	1,127,042	1,173,719
Net change in fund balance	(446,133)	(849,633)	270,876	1,120,509
Fund balance, beginning of year	2,382,370	2,382,370	2,382,370	-
Fund balance, end of year	\$ 1,936,237	\$ 1,532,737	\$ 2,653,246	\$ 1,120,509

See notes to financial statements.

**SARASOTA COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGE IN FUND BALANCE –
 BUDGET AND ACTUAL – COURT RELATED FUNCTIONS FUND
 Year Ended September 30, 2017**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State of Florida appropriations	\$ 579,007	\$ 579,007	\$ 746,278	\$ 167,271
Charges for services	5,609,415	5,609,415	5,309,255	(300,160)
Fines and forfeitures	1,227,092	1,227,092	1,319,568	92,476
Interest income	105,636	105,636	146,002	40,366
Total revenues	7,521,150	7,521,150	7,521,103	(47)
Expenditures:				
Current - General government				
Personal services	6,770,027	7,007,715	7,007,715	-
Operating expenditures	751,123	511,856	511,179	677
Capital outlay	-	1,579	1,579	-
Total expenditures	7,521,150	7,521,150	7,520,473	677
Net change in fund balance	-	-	630	630
Fund balance, beginning of year	-	-	5,049	(5,049)
Fund balance, end of year	\$ -	\$ -	\$ 5,679	\$ 5,679

See notes to financial statements.

SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2017

	Law Library Private-Purpose Trust Fund	Agency Funds
Assets		
Cash and cash equivalents	\$ 197,591	\$ 20,664,339
Due from other county governments	6,517	-
Other receivables	-	1,047
Furniture and equipment	17,208	-
Accumulated depreciation	(17,032)	-
	\$ 204,284	\$ 20,665,386
Liabilities		
Accounts payable	\$ 5,160	\$ 43,272
Wages and benefits payable	1,010	-
Interest payable	-	7,054
Due to other county governments	5,369	272,599
Due to other governments	1	2,682,521
Due to other funds	-	11,394
Compensated absences	10,742	-
Deposits	9,915	17,648,546
	\$ 32,197	\$ 20,665,386
Net position		
Held in trust for law library	\$ 172,087	

See notes to financial statements.

**SARASOTA COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
 PRIVATE-PURPOSE TRUST FUND
 Year Ended September 30, 2017**

	Law Library Private-Purpose Trust Fund
Additions	
Board of County Commissioners appropriations	\$ 64,631
Taxes	-
Charges for services	19,159
Interest income	527
Miscellaneous income	511
Total additions	84,828
 Deductions	
General government:	
Personal services	52,367
Operating expenditures	64,218
Total deductions	116,585
Change in net position	(31,757)
Net position, beginning of year	203,844
Net position, end of year	\$ 172,087

SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 1 – Summary of Significant Accounting Policies

The following is a summary of the significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity – The Sarasota County, Florida Clerk of the Circuit Court and County Comptroller (the Clerk) is a separately elected county official established pursuant to the Constitution of the State of Florida and the Home Rule Charter of Sarasota County, Florida (the County). As part of the County's Home Rule Charter, the Clerk's General Fund budget is submitted to the Sarasota County Board of County Commissioners (the Board) for approval. The Board appropriates and distributes to the Clerk, on a monthly basis, funds necessary to operate the Clerk's office.

The Clerk's annual Court-Related Functions budget is submitted to the State of Florida for approval and certification. State court system funding is allocated between the state, counties, and users of the courts. Funding for the court-related functions of the offices of clerks of the circuit and county courts is provided by filing fees for judicial proceedings and services and costs for performing court-related functions. Cumulative excess of costs for performing court-related functions are returned to the Florida Department of Revenue no later than the 25th of January beginning in year 2015, and thereafter. If fees are not adequate to pay all costs related to performing court-related functions, the State may appropriate supplemental funding.

For financial reporting purposes, the Clerk is deemed to be a part of the primary government of the County and, therefore, is included as such in the Sarasota County Florida Comprehensive Annual Financial Report. However, the Clerk's financial statements do not purport to reflect the financial position or the results of operations of Sarasota County, Florida taken as a whole.

Description of Funds – The accounting records are organized on the basis of funds classified for reporting purposes into two basic fund types:

Governmental Funds:

- *The General Fund* –The General Fund is a governmental fund used to account for all revenues and expenditures applicable to the general operations of the Clerk that are not required either legally or by accounting principles generally accepted in the United States of America to be accounted for in another fund. The activity in this fund includes but is not limited to appropriations from the Board, recording fees, passports and marriage license fees as well as IV-D Child Support Grant.
- *Public Records Trust Fund* – The Public Records Trust Fund is a special revenue fund used to account for recording fees for record modernization and court-related technology needs of the Clerk. Additionally, 10% of all court-related fines collected by the Clerk shall be deposited into the Clerk's Public Records Modernization Trust Fund. Per SB2506, effective June 16, 2017, "10% of all court-related fines collected by the clerk, except for penalties or fines distributed to counties or municipalities under s. 316.0083(1)(b)3. or s. 318.18(15)(a), shall be deposited into the fine and forfeiture fund to be used exclusively for clerk court-related functions, as provided in s. 28.35(3)(a)."

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017**

Note 1 – Summary of Significant Accounting Policies (Continued)

Governmental Funds (Continued):

- *Court-Related Functions Fund* – The Court-Related Functions Fund is a special revenue fund used to account for court-related charges for services, as well as expenditures for court functions. Per SB2506, effective June 16, 2017, “10% of all court-related fines collected by the clerk, except for penalties or fines distributed to counties or municipalities under s. 316.0083(1)(b)3. or s. 318.18(15)(a), shall be deposited into the fine and forfeiture fund to be used exclusively for clerk court-related functions, as provided in s. 28.35(3)(a).”

Fiduciary Funds:

- *Law Library Fund* – The Law Library Fund is a private-purpose trust used to account for resources legally held in trust for the maintenance of a law library for use by individuals, private organizations and other governments. Pursuant to Section 82-32 of Sarasota County Ordinances, the Clerk is the custodian of these funds.
- *Agency Funds* – The Agency Funds are used to account for assets received and held by the Clerk in the capacity of an agent for the County, other governmental agencies, and prevailing parties based on a court’s ruling. Agency funds are custodial in nature and do not involve measurement of changes in financial position. The Clerk has numerous agency funds for various purposes.

Basis of Presentation, Accounting and Measurement Focus – The Clerk’s financial statements are prepared for the purpose of complying with Section 218.32 and 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General - Local Government Entity Audits*, which require the Clerk to only present fund financial statements. Accordingly, due to the omission of government-wide financial statements and related disclosures, including management’s discussion and analysis, these financial statements do not constitute a complete presentation of financial position of the Clerk as of September 30, 2017 and the changes in the financial position for the year then ended, in conformity with Governmental Accounting Standards Board (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 accounting principles generally accepted in the United States of America.

All governmental and agency funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when 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 Clerk considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Certain other miscellaneous revenues are recognized as revenues when received because they are generally not measurable until actually received. Investment revenues are recorded as earned. Generally, expenditures are recorded when a liability is incurred. However, expenditures related to accumulated compensated absences and claims and judgments are recorded only when payments are due.

The Law Library Fund is a private-purpose trust and uses the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

Fund Balance Reporting and Governmental Fund-Type Definitions– Fund Balances are reported in classifications based on whether the amounts are nonspendable or spendable. Spendable amounts are further classified in a hierarchy based on the extent to which the Clerk is bound to honor constraints on the specific purpose for fund balances. The classifications are described as follows:

Nonspendable Fund Balance Description

- *Nonspendable fund balance* – Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact. The Clerk had nonspendable fund balance of \$1,493 as of September 30, 2017.

Spendable Fund Balance Descriptions

- *Restricted fund balance* – Restricted fund balances are amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. The Clerk had restricted fund balance of \$2,653,246 for records modernization and court-related technology needs and \$5,679 for public education for foreclosure proceedings as of September 30, 2017.
- *Committed fund balance* – Committed fund balances are amounts constrained to specific purposes by the Clerk, using its highest level of decision-making authority. The Clerk had no committed fund balance as of September 30, 2017.
- *Assigned fund balance* – Assigned fund balances are amounts the Clerk intends to use for a specific purpose; intent can be expressed by the Clerk or by an official or body to which the Clerk delegates the authority. The Clerk had no assigned fund balance as of September 30, 2017.
- *Unassigned fund balance* – Amounts that are available for any purpose; these amounts are reported only in the general fund. Negative balances in other funds are reported as unassigned in those respective funds.

Distribution of “Excess Revenues” – In the financial statements of the Clerk, the receipts from the County, recording fees and noncourt income are reflected as revenue. The Board requires the excess revenues over the Clerk’s General Fund expenditures be returned to the Board at the end of the fiscal year. The excess revenue is recorded as other financing uses.

Similarly, any court-related collected fines, fees, service charges, and costs in excess of the annual approved budget are required to be submitted to the State of Florida each year for the fiscal year.

Based on the legal opinion provided by Clerks of Court Operations general counsel of the provisions of Section 28.37(3), F.S., which was adopted as policy by the CCOC Finance and Budget Committee, all excess court-related funds have been included in a fund liability, Due to Other Governments.

SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

Budgetary Requirement – On or before June 1 of each year, the Clerk submits a tentative budget for the ensuing fiscal year to the Board for its Board-related functions. The budget is adopted in the same manner as the budget of the Board.

A budget is legally adopted by the Board only for the Board funded appropriations and is on a basis consistent with accounting principles generally accepted in the United States of America. Budgetary control is at the fund level. Budgetary changes within the fund are made at the discretion of the Clerk. The budget for the special revenue funds is subject to a “nonappropriated budget” review and approval process, which is outside the Board’s normal “appropriated budget” process. The Clerk’s recording and other noncourt functions fund did not meet the requirements of GASB 54 for classification as a special revenue fund; therefore, the revenues and expenditures have been included in the general fund.

By June 1 of each year, the Clerk submits a tentative budget for the next fiscal year to the Clerk of Court Operations Corporation (the CCOC) for its court-related functions. The CCOC certifies the budget. Budgetary control is at the fund level. Budgetary changes within the fund are made at the discretion of the Clerk.

Cash and Investments – Balances held in banks earned interest at the rate of 1.15% during the fiscal year. This increased from 0.40% in December 2016, from 0.65% in March 2017, and 0.90% in June 2017. Florida Statute 218.415(16) authorizes the Clerk to invest in the State Board of Administration’s Local Government Surplus Funds Trust Fund Investment Pool, certain obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and interest-bearing time deposits and savings accounts held in banks and savings and loans. The Clerk had no investments as of September 30, 2017.

Capital Assets– Office furniture and equipment used in the law library activities are recorded at historical cost in the private-purpose trust fund, in accordance with Florida Statute 274.02. The current capitalization threshold is \$1,000. Depreciation has been provided on these assets using the straight-line method over useful lives of five years.

Amounts expended for maintenance and repairs are charged to expenditures as incurred. Upon sale or retirement of capital assets, the cost and related accumulated depreciation is removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Compensated Absences – The Clerk’s policy permits employees to accumulate a limited amount of annual leave, which will be paid to employees upon termination of employment.

These include accumulated annual leave, and certain other salary-related costs associated with the payment. Compensated absences are reported in governmental funds only if they have matured (i.e., if unused reimbursable leave is outstanding at fiscal year-end following an employee’s resignation or retirement).

Accumulated annual leave, and certain other salary-related costs associated with the payment of annual leave, is accrued when earned in the private purpose trust fund financial statements. A liability for these amounts is reported in the private purpose trust fund on a full accrual basis.

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017**

Note 1 – Summary of Significant Accounting Policies (continued)

Encumbrances – Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. Outstanding encumbrances represent material purchase commitments for goods and services which were ordered, budgeted and appropriated but which had not been received or completed at that date. Encumbrances lapse at year-end. No encumbrances were outstanding at September 30, 2017.

Use of Estimates – The preparation of special-purpose financial statements in conformity with accounting principles generally accepted in the United States of America and with Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*, requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

Note 2 – Deposits

Custodial Credit Risk

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the Clerk will not be able to recover the value of its securities that are in the possession of an outside party. The Clerk's bank balances are comprised of insured deposits under Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. In accordance with the Clerk's policy, the remaining balances are fully collateralized pursuant to Chapter 280 of the Florida Statutes. The statutes provide that if a loss to public depositors is not covered by deposit insurance and the proceeds from the sale of securities pledged by the defaulting depository, the difference will be provided by an assessment levied against other qualified public depositories of the same type as the depository in default. At September 30, 2017, the Clerk's book balance, including fiduciary funds, was \$10,700 for petty cash and \$26,727,037 for deposits and the bank balance was \$27,597,085.

Note 3 – Interfund Receivables, Payables, and Transfers

The following is a schedule of interfund receivables and payables as of September 30, 2017:

DUE TO/FROM OTHER FUNDS:

Due to General Fund from:

Fiduciary funds	\$11,394
Total due to/from other funds	\$ 11,394

All amounts above are expected to be repaid within one year and resulted from amounts owed between elected official/agencies or amounts borrowed to cover cash deficits at year-end.

SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 4 – Capital Assets

Tangible personal property used in the Clerk’s operations is recorded as expenditures in the governmental funds of the Clerk at the time assets are received and a liability is incurred. Purchased assets are capitalized at historical cost in the government-wide financial statements of the County. Capital assets related to the law library operations are capitalized directly in the private-purpose trust fund. The Clerk maintains custodial responsibility for the capital assets acquired by its office. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County.

The following is a summary of changes in capital assets for governmental activities during fiscal year 2017:

Capital Assets	Balance October 1, 2016	Additions and Transfers In	Deductions and Transfers Out	Balance September 30, 2017
Capital assets being depreciated:				
Equipment	\$3,630,637	\$439,386	\$59,648	\$4,010,375
Software	2,964,096	-	-	2,964,096
Total assets depreciated	<u>6,594,733</u>	<u>439,386</u>	<u>59,648</u>	<u>6,974,471</u>
Less accumulated depreciation:				
Equipment	2,815,779	\$361,655	\$59,648	\$3,117,786
Software	741,024	296,410	-	1,037,434
Total accumulated depreciation	<u>3,556,803</u>	<u>658,065</u>	<u>59,648</u>	<u>4,155,220</u>
Total capital assets, net	<u><u>\$3,037,930</u></u>	<u><u>(\$218,679)</u></u>	<u><u>-</u></u>	<u><u>\$2,819,251</u></u>

The following is a summary of changes in capital assets for the Law Library Private-Purpose Trust Fund during fiscal year 2017:

Capital Assets	Balance October 1, 2016	Additions and Transfers In	Deductions and Transfers Out	Balance September 30, 2017
Capital assets being depreciated:				
Furniture & Equipment	\$17,208	-	-	\$17,208
Total assets depreciated	<u>17,208</u>	<u>-</u>	<u>-</u>	<u>17,208</u>
Less accumulated depreciation:				
Furniture & Equipment	16,137	895	-	17,032
Total accumulated depreciation	<u>16,137</u>	<u>895</u>	<u>-</u>	<u>17,032</u>
Total capital assets, net	<u><u>\$1,071</u></u>	<u><u>(\$895)</u></u>	<u><u>-</u></u>	<u><u>\$176</u></u>

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017**

Note 5 – Accumulated Compensated Absences

The amount of vested accumulated compensated absences payable (related to governmental fund activities), based upon the Clerk’s paid-time-off (PTO) policy, is reported as a liability in the government-wide financial statements of the County. That liability includes earned but unused PTO as well as FICA taxes and retirement contributions to any defined contribution plans related thereto. The accrued compensated absence liability related to the law library operations is recorded directly in the private-purpose trust fund. PTO is accrued based on length of employment up to a maximum of 320 hours. Nonvested amounts are not accrued and are not considered to be significant.

The change in accumulated compensated absences during the year is as follows:

	<u>Governmental Funds</u>	<u>Private-Purpose Trust Fund</u>	<u>Total</u>
Beginning Balance	\$ 630,463	\$ 10,705	\$ 641,168
Additions	1,126,241	4,887	1,131,128
Deductions	<u>(1,094,974)</u>	<u>(4,850)</u>	<u>(1,099,824)</u>
Ending Balance	<u>\$ 661,730</u>	<u>\$ 10,742</u>	<u>\$ 672,472</u>

The current portion of the above liability at September 30, 2017 is \$112,074.

Note 6 – Defined Benefit Pension Plan

Background

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 6 – Defined Benefit Pension Plan (Continued)

Essentially all regular employees of the Clerk are eligible to enroll as members of the state-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of 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' Web site (www.dms.myflorida.com).

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017**

Note 6 – Defined Benefit Pension Plan (Continued)

Florida Retirement System Pension Plan (Continued)

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% 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 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Benefits Provided (Continued)

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2017, 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, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 6 – Defined Benefit Pension Plan (Continued)

FRS Investment Plan

The Florida State Board of Administration (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. Clerk employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering 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.

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 FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 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 Clerk.

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

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Clerk's contributions made to the plans during the years ended September 30, 2017, 2016, and 2015 were \$1,019,144, \$999,757, and \$1,012,499 respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report.

SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 7 – Deferred Compensation Plan

The Clerk's employees can voluntarily participate in Sarasota County's Deferred Compensation Plan. The County offers a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan, available to all County and elected official employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Note 8 – Post Employment Benefits (Other than Pensions)

The Clerk provides postemployment health care benefits in accordance with Section 112.0801, Florida Statutes, to all employees who retire from the Clerk. The Clerk is required to provide health care coverage at cost to all retirees but does not pay any portion of the premium for the retiree to participate in the Clerk's group health care plan. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, are reported in the financial statements of the County.

Note 9 – Risk Management

The County has established various self-insurance funds, in which the Clerk participates. These funds are accounted for as internal service funds in the financial statements of the Board.

The County is also self-insured under sovereign immunity up to a maximum of \$200,000 per person, \$300,000 per occurrence for claims against the County involving negligence, including automobile and general liability. Negligence claims in excess of the statutory limits set forth in Section 768.28, Florida Statutes, can only be recovered through an act of the State of Florida Legislature. The County carries specific workers' compensation excess insurance for claims exceeding \$1,000,000. During the fiscal year ended September 30, 2017, the Clerk paid \$22,012 to the Board for workers compensation coverage.

Reserves have been established for both claims that have been reported but not paid, and for employee medical benefits claims incurred but not reported. Employee medical benefits claims exceeding \$600,000 per covered participant are covered with unlimited excess insurance. During the fiscal year ended September 30, 2017, the Clerk paid \$1,731,806 to the Board for health and dental insurance coverage.

Note 10 – Litigation

From time to time, the office of the Clerk is involved as a defendant in certain claims, litigation, and various legal proceedings incidental to the ordinary course of its operation. The County is required to fund any claim payments arising from such actions, therefore, this would not materially affect the operations of the Clerk. At September 30, 2017, the Clerk is named as a defendant in 38 mortgage foreclosure actions.

Supplementary Financial Information

**SARASOTA COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
 COMBINING STATEMENT OF FIDUCIARY NET POSITION –
 ALL AGENCY FUNDS
 September 30, 2017**

	<u>Fines and Forfeitures Fund</u>	<u>Tax Deeds Application Trust Fund</u>	<u>Support Fund</u>	<u>Clerk's Fees Fund</u>	<u>Doc Stamps/ Intangible Tax Fund</u>
Assets					
Cash and cash equivalents	\$ 423,543	\$ 1,704,459	\$ 4,104	\$ 3,058,339	\$ 2,286,870
Other receivables	-	-	-	-	-
Total assets	<u>\$ 423,543</u>	<u>\$ 1,704,459</u>	<u>\$ 4,104</u>	<u>\$ 3,058,339</u>	<u>\$ 2,286,870</u>
Liabilities					
Accounts payable	\$ 8	\$ 11,280	\$ -	\$ 26,424	\$ 12
Interest payable	-	-	-	-	-
Due to other county governments	218,692	-	-	53,907	-
Due to other governments	180,570	-	-	24,496	2,275,464
Due to other funds	-	-	-	-	11,394
Deposits	<u>24,273</u>	<u>1,693,179</u>	<u>4,104</u>	<u>2,953,512</u>	<u>-</u>
Total liabilities	<u>\$ 423,543</u>	<u>\$ 1,704,459</u>	<u>\$ 4,104</u>	<u>\$ 3,058,339</u>	<u>\$ 2,286,870</u>

**SARASOTA COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
 COMBINING STATEMENT OF FIDUCIARY NET POSITION –
 ALL AGENCY FUNDS - CONTINUED
 September 30, 2017**

	<u>Court Registry Fund</u>	<u>Restitution Fund</u>	<u>Cash Bonds Fund</u>	<u>State Fines Fees Differential</u>	<u>Unclaimed Funds</u>
Assets					
Cash and cash equivalents	\$ 11,706,897	\$ 1,330	\$ 1,261,309	\$ 108,544	\$ 239
Other receivables	-	1,047	-	-	-
Total assets	<u>\$ 11,706,897</u>	<u>\$ 2,377</u>	<u>\$ 1,261,309</u>	<u>\$ 108,544</u>	<u>\$ 239</u>
Liabilities					
Accounts payable	\$ 5,309	\$ -	\$ -	\$ -	\$ 239
Interest payable	7,054	-	-	-	-
Due to other county governments	-	-	-	-	-
Due to other governments	-	-	-	108,544	-
Due to other funds	-	-	-	-	-
Deposits	11,694,534	2,377	1,261,309	-	-
Total liabilities	<u>\$ 11,706,897</u>	<u>\$ 2,377</u>	<u>\$ 1,261,309</u>	<u>\$ 108,544</u>	<u>\$ 239</u>

**SARASOTA COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
 COMBINING STATEMENT OF FIDUCIARY NET POSITION –
 ALL AGENCY FUNDS - CONTINUED
 September 30, 2017**

	<u>State Jury Witness Fund</u>	<u>State Courts Revenue Fund</u>	<u>Total Agency Funds</u>
Assets			
Cash and cash equivalents	\$ 15,258	\$ 93,447	\$ 20,664,339
Other receivables	-	-	1,047
	<u>15,258</u>	<u>93,447</u>	<u>20,665,386</u>
Total assets	<u><u>\$ 15,258</u></u>	<u><u>\$ 93,447</u></u>	<u><u>\$ 20,665,386</u></u>
Liabilities			
Accounts payable	\$ -	\$ -	\$ 43,272
Interest payable	-	-	7,054
Due to other county governments	-	-	272,599
Due to other governments	-	93,447	2,682,521
Due to other funds	-	-	11,394
Deposits	15,258	-	17,648,546
	<u>15,258</u>	<u>-</u>	<u>17,648,546</u>
Total liabilities	<u><u>\$ 15,258</u></u>	<u><u>\$ 93,447</u></u>	<u><u>\$ 20,665,386</u></u>

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION – ALL AGENCY FUNDS
Year Ended September 30, 2017**

	<u>Balance October 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2017</u>
Fines and Forfeitures Fund				
Assets:				
Cash and cash equivalents	\$ 500,628	\$ 5,895,757	\$ 5,972,842	\$ 423,543
Total assets	<u>\$ 500,628</u>	<u>\$ 5,895,757</u>	<u>\$ 5,972,842</u>	<u>\$ 423,543</u>
Liabilities:				
Accounts payable	\$ 10	\$ 119,275	\$ 119,277	\$ 8
Due to other county governments	270,342	3,709,558	3,761,208	218,692
Due to other governments	205,089	1,807,389	1,831,908	180,570
Deposits	25,187	259,535	260,449	24,273
Total liabilities	<u>\$ 500,628</u>	<u>\$ 5,895,757</u>	<u>\$ 5,972,842</u>	<u>\$ 423,543</u>
Tax Deed Application Trust Fund				
Assets:				
Cash and cash equivalents	\$ 1,957,132	\$ 1,251,827	\$ 1,504,500	\$ 1,704,459
Total assets	<u>\$ 1,957,132</u>	<u>\$ 1,251,827</u>	<u>\$ 1,504,500</u>	<u>\$ 1,704,459</u>
Liabilities:				
Accounts payable	\$ 61,025	\$ 9,281	\$ 59,026	\$ 11,280
Deposits	1,896,107	1,242,546	1,445,474	1,693,179
Total liabilities	<u>\$ 1,957,132</u>	<u>\$ 1,251,827</u>	<u>\$ 1,504,500</u>	<u>\$ 1,704,459</u>
Support Fund				
Assets:				
Cash and cash equivalents	\$ 3,258	\$ 160,450	\$ 159,604	\$ 4,104
Total assets	<u>\$ 3,258</u>	<u>\$ 160,450</u>	<u>\$ 159,604</u>	<u>\$ 4,104</u>
Liabilities:				
Deposits	\$ 3,258	\$ 160,450	\$ 159,604	\$ 4,104
Total liabilities	<u>\$ 3,258</u>	<u>\$ 160,450</u>	<u>\$ 159,604</u>	<u>\$ 4,104</u>
Clerk's Fees Fund				
Assets:				
Cash and cash equivalents	\$ 3,857,926	\$ 1,333,613,243	\$ 1,334,412,830	\$ 3,058,339
Total assets	<u>\$ 3,857,926</u>	<u>\$ 1,333,613,243</u>	<u>\$ 1,334,412,830</u>	<u>\$ 3,058,339</u>
Liabilities:				
Accounts payable	\$ 31,903	\$ 1,292,751,143	\$ 1,292,756,622	\$ 26,424
Due to other county governments	83,345	1,059,905	1,089,343	53,907
Due to other governments	36,942	477,591	490,037	24,496
Deposits	3,705,736	39,324,604	40,076,828	2,953,512
Total liabilities	<u>\$ 3,857,926</u>	<u>\$ 1,333,613,243</u>	<u>\$ 1,334,412,830</u>	<u>\$ 3,058,339</u>

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION – ALL AGENCY FUNDS - CONTINUED
Year Ended September 30, 2017**

	<u>Balance October 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2017</u>
State Tax - Doc Stamps/Intangible Tax Fund				
Assets:				
Cash and cash equivalents	\$ 2,947,177	\$ 73,861,563	\$ 74,521,870	\$ 2,286,870
Total assets	<u>\$ 2,947,177</u>	<u>\$ 73,861,563</u>	<u>\$ 74,521,870</u>	<u>\$ 2,286,870</u>
Liabilities:				
Accounts payable	\$ 14	\$ 71,548,623	\$ 71,548,625	\$ 12
Due to other governments	2,932,476	2,301,546	2,958,558	2,275,464
Due to other funds	14,687	11,394	14,687	11,394
Total liabilities	<u>\$ 2,947,177</u>	<u>\$ 73,861,563</u>	<u>\$ 74,521,870</u>	<u>\$ 2,286,870</u>
Court Registry Fund				
Assets:				
Cash and cash equivalents	\$ 9,209,214	\$ 48,249,400	\$ 45,751,717	\$ 11,706,897
Total assets	<u>\$ 9,209,214</u>	<u>\$ 48,249,400</u>	<u>\$ 45,751,717</u>	<u>\$ 11,706,897</u>
Liabilities:				
Accounts payable	\$ 100	\$ 44,913,035	\$ 44,907,826	\$ 5,309
Interest payable	7,251	-	197	7,054
Deposits	9,201,863	3,336,365	843,694	11,694,534
Total liabilities	<u>\$ 9,209,214</u>	<u>\$ 48,249,400</u>	<u>\$ 45,751,717</u>	<u>\$ 11,706,897</u>
Restitution Fund				
Assets:				
Cash and cash equivalents	\$ 6,190	\$ 99,693	\$ 104,553	\$ 1,330
Other receivables	1,047	-	-	1,047
Total assets	<u>\$ 7,237</u>	<u>\$ 99,693</u>	<u>\$ 104,553</u>	<u>\$ 2,377</u>
Liabilities:				
Accounts payable	\$ -	\$ 99,187	\$ 99,187	\$ -
Deposits	7,237	506	5,366	2,377
Total liabilities	<u>\$ 7,237</u>	<u>\$ 99,693</u>	<u>\$ 104,553</u>	<u>\$ 2,377</u>
Cash Bonds Fund				
Assets:				
Cash and cash equivalents	\$ 1,322,664	\$ 941,696	\$ 1,003,051	1,261,309
Total assets	<u>\$ 1,322,664</u>	<u>\$ 941,696</u>	<u>\$ 1,003,051</u>	<u>\$ 1,261,309</u>
Liabilities:				
Accounts payable	\$ -	\$ 5,644	\$ 5,644	\$ -
Deposits	1,322,664	936,052	997,407	1,261,309
Total liabilities	<u>\$ 1,322,664</u>	<u>\$ 941,696</u>	<u>\$ 1,003,051</u>	<u>\$ 1,261,309</u>

**SARASOTA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION – ALL AGENCY FUNDS - CONTINUED
Year Ended September 30, 2017**

	<u>Balance October 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2017</u>
State Fines Differential Fund				
Assets:				
Cash and cash equivalents	\$ 139,454	\$ 1,694,492	\$ 1,725,402	\$ 108,544
Total assets	<u>\$ 139,454</u>	<u>\$ 1,694,492</u>	<u>\$ 1,725,402</u>	<u>\$ 108,544</u>
Liabilities:				
Due to other governments	\$ 139,454	\$ 1,694,492	\$ 1,725,402	\$ 108,544
Total liabilities	<u>\$ 139,454</u>	<u>\$ 1,694,492</u>	<u>\$ 1,725,402</u>	<u>\$ 108,544</u>
Unclaimed Funds				
Assets:				
Cash and cash equivalents	\$ -	\$ 213,415	\$ 213,176	\$ 239
Total assets	<u>\$ -</u>	<u>\$ 213,415</u>	<u>\$ 213,176</u>	<u>\$ 239</u>
Liabilities:				
Accounts payable	\$ -	\$ 213,415	\$ 213,176	\$ 239
Total liabilities	<u>\$ -</u>	<u>\$ 213,415</u>	<u>\$ 213,176</u>	<u>\$ 239</u>
State Jury Witness Fund				
Assets:				
Cash and cash equivalents	\$ 5,989	\$ 18,645	\$ 9,376	\$ 15,258
Total assets	<u>\$ 5,989</u>	<u>\$ 18,645</u>	<u>\$ 9,376</u>	<u>\$ 15,258</u>
Liabilities:				
Deposits	\$ 5,989	\$ 18,645	\$ 9,376	\$ 15,258
Total liabilities	<u>\$ 5,989</u>	<u>\$ 18,645</u>	<u>\$ 9,376</u>	<u>\$ 15,258</u>
State Courts Revenue Fund				
Assets:				
Cash and cash equivalents	\$ 149,824	\$ 1,706,013	\$ 1,762,390	\$ 93,447
Total assets	<u>\$ 149,824</u>	<u>\$ 1,706,013</u>	<u>\$ 1,762,390</u>	<u>\$ 93,447</u>
Liabilities:				
Due to other governments	\$ 149,824	\$ 1,706,013	\$ 1,762,390	\$ 93,447
Total liabilities	<u>\$ 149,824</u>	<u>\$ 1,706,013</u>	<u>\$ 1,762,390</u>	<u>\$ 93,447</u>

**SARASOTA COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
 COMBINING STATEMENT OF CHANGES IN
 FIDUCIARY NET POSITION – ALL AGENCY FUNDS - CONTINUED
 Year Ended September 30, 2017**

	<u>Balance October 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2017</u>
Total Agency Funds				
Assets:				
Cash and cash equivalents	\$ 20,099,456	\$ 1,467,706,194	\$ 1,467,141,311	\$ 20,664,339
Due from other county governments	-	-	-	-
Due from other governments	-	-	-	-
Other receivables	1,047	-	-	1,047
Total assets	<u>\$ 20,100,503</u>	<u>\$ 1,467,706,194</u>	<u>\$ 1,467,141,311</u>	<u>\$ 20,665,386</u>
Liabilities:				
Accounts payable	\$ 93,052	\$ 1,409,659,603	\$ 1,409,709,383	\$ 43,272
Interest payable	7,251	-	197	7,054
Due to other county governments	353,687	4,769,463	4,850,551	272,599
Due to other governments	3,463,785	7,987,031	8,768,295	2,682,521
Due to other funds	14,687	11,394	14,687	11,394
Due to individuals	-	-	-	-
Deposits	16,168,041	45,278,703	43,798,198	17,648,546
Total liabilities	<u>\$ 20,100,503</u>	<u>\$ 1,467,706,194</u>	<u>\$ 1,467,141,311</u>	<u>\$ 20,665,386</u>

Supplemental Reports

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

Honorable Karen E. Rushing
Clerk of the Circuit Court and County Comptroller
Sarasota 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 each major fund and the aggregate remaining fund information of the Sarasota County, Florida, Clerk of the Circuit Court and County Comptroller (Clerk) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Clerk's financial statements, and have issued our report thereon dated February 13, 2018.

Internal Control Over Financial Reporting

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

Honorable Karen E. Rushing
Clerk of the Circuit Court and County Comptroller

Compliance and Other Matters

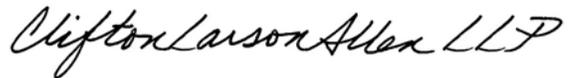
As part of obtaining reasonable assurance about whether the Clerk’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 result 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.



Shinn & Company LLC
Bradenton, Florida



CliftonLarsonAllen LLP
Tampa, Florida

February 13, 2018

MANAGEMENT LETTER

Honorable Karen E. Rushing
Clerk of the Circuit Court and County Comptroller
Sarasota County, Florida

Report on the Financial Statements

We have audited the financial statements of the Clerk of the Circuit Court and County Comptroller, Sarasota County, Florida (Clerk), as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated February 13, 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 Auditors' 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 an 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 February 13, 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 recommendations made in the preceding annual 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. This information is disclosed in the notes to the financial statements. There are no component units related to the Clerk.

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.

Honorable Karen E. Rushing
Clerk of the Circuit Court and County Comptroller

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we 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 have 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, Federal and other granting agencies, the Clerk and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.



Shinn & Company LLC
Bradenton, Florida



CliftonLarsonAllen LLP
Tampa, Florida

February 13, 2018

INDEPENDENT ACCOUNTANTS' REPORT

Honorable Karen E. Rushing
Clerk of the Circuit Court and County Comptroller
Sarasota County, Florida

We have examined the Clerk of the Circuit Court and County Comptroller, Sarasota County, Florida (the Clerk) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds; Section 61.181, Florida Statutes, regarding alimony and child support payments; and Sections 28.35 and 28.36, Florida Statutes, regarding clerks of court performance standards and budgets during the year ended September 30, 2017. Management of the Clerk is responsible for the Clerk's compliance with the specified requirements. Our responsibility is to express an opinion on the Clerk'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 Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk 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 Clerk's compliance with specified requirements.

In our opinion, the Clerk complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds, Section 61.181, Florida Statutes, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, Florida Statutes, regarding clerks of the courts performance standards and budgets during the year ended September 30, 2017.

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



Shinn & Company LLC
Bradenton, Florida



CliftonLarsonAllen LLP
Tampa, Florida

February 13, 2018