

BREVARD COUNTY

BREVARD COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Exhibit</u>	<u>Page Number</u>
<u>I. INTRODUCTORY SECTION</u>		
Table of Contents		i
<u>II. FINANCIAL SECTION</u>		
Independent Auditors' Report		1
Management's Discussion and Analysis		3
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Assets	A-1	14
Statement of Activities	A-2	16
Fund Financial Statements:		
Balance Sheet – Governmental Funds	A-3	18
Reconciliation of the Balance Sheet to the Statement of Net Assets – Governmental Funds	A-3	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	A-4	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	A-4	24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:		
General Fund	A-5	26
Emergency Services	A-6	28
Brevard County Transportation Trust	A-7	29
Statement of Net Assets – Proprietary Funds	A-8	30
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	A-9	34
Statement of Cash Flows – Proprietary Funds	A-10	36
Statement of Fiduciary Net Assets – Fiduciary Funds	A-11	40
Notes to Financial Statements	A-12	41
Combining and Individual Funds Statements and Schedules:		
Combining Balance Sheet – Nonmajor Governmental Funds	B-1	70
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	B-2	78
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:		
Special Revenue Funds	C-1	86
Debt Service Funds	D-1	102
Capital Projects Funds	E-1	108

BREVARD COUNTY, FLORIDA
TABLE OF CONTENTS (CONT'D)

	<u>Exhibit</u>	<u>Page</u> <u>Number</u>
Combining Statement of Net Assets – Nonmajor Proprietary Funds	F-1	114
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Nonmajor Proprietary Funds	F-2	116
Combining Statement of Cash Flows – Nonmajor Proprietary Funds	F-3	118
Combining Statement of Net Assets – Internal Service Funds	G-1	122
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Internal Service Funds	G-2	123
Combining Statement of Cash Flows – Internal Service Funds	G-3	124
Combining Statement of Fiduciary Net Assets – Fiduciary Funds	H-1	126
Combining Statement of Changes in Assets and Liabilities - Fiduciary Funds	H-2	128
Combining Statement of Net Assets – Component Units	I-1	132
Statement of Activities – Component Units	I-2	134
Capital Assets Used in the Operation of Governmental Funds	J-1	137
Capital Assets Used in the Operation of Governmental Funds: Schedule by Function	J-2	138
Schedule of Changes by Function	J-3	140

III. SINGLE AUDIT SECTION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE	1	144
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>		152
REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND WITH THE EOG STATE PROJECTS COMPLIANCE SUPPLEMENT		154
SCHEDULE OF FINDINGS AND QUESTIONED COSTS		156
MANAGEMENT LETTER		160
MANAGEMENT'S RECOMMENDATIONS FROM CURRENT YEAR		163
MANAGEMENT'S RESPONSE		164

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INDEPENDENT AUDITORS' REPORT

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We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida, as of and for the year ended September 30, 2007, which collectively comprise Brevard County, Florida's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Brevard County, Florida's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Titusville-Cocoa Airport Authority, Melbourne-Tillman Water Control District, and Brevard County Housing Finance Authority, which collectively represent 93 percent, 93 percent and 79 percent, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units of Brevard County, Florida. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the aggregate discretely presented component units is based on the reports of the other auditors.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida, as of September 30, 2007, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Emergency Services, and Brevard County Transportation Trust Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 25 to the financial statements, certain errors resulting in the restatement of beginning net assets and applicable beginning fund balances as of September 30, 2007, were discovered by management of Brevard County, Florida during the current year. Accordingly, an adjustment has been made to correct the errors.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2008, on our consideration of Brevard County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 13, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Brevard County, Florida's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Local Government Entity Audits*, Rules of the Auditor General of the State of Florida and is also not a required part of the basic financial statements of Brevard County, Florida. The schedule of expenditures of federal awards and state financial assistance and the combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

March 21, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Management's Discussion and Analysis

As management of Brevard County, we offer readers of the Brevard County Financial Statements this narrative overview and analysis of the financial activities of Brevard County for the fiscal year ended September 30, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal of the report. All amounts, unless otherwise indicated, are expressed in millions of dollars.

Financial Highlights

- Brevard County's assets exceeded its liabilities at September 30, 2007 by \$880.2 million (net assets). Of this amount, \$123.8 million (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets increased \$82.8 million over the previous year with \$71.9 million of the increase resulting from governmental activities and \$10.9 million resulting from business-type activities.
- The General Fund reported a fund balance of \$53.1 million, an increase of \$5.4 million over the previous fiscal year.
- Total bonded debt increased \$103.2 million in fiscal year 2007.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Brevard County's basic financial statements. The Brevard County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net assets presents information on all of Brevard County's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets may serve as a useful indicator of whether the financial position of Brevard County is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Brevard County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Brevard County include general government, public safety, physical environment, transportation, economic environment, human services, and culture/recreation. The business-type activities of Brevard County include waste collection/disposal, water resources, transit service and golf courses.

The government-wide financial statements include not only Brevard County itself (known as the primary government), but also a legally separate airport authority, water control district and other entities for which Brevard

County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on Exhibits A-1 and A-2 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Brevard County maintains thirty individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, emergency services, transportation trust, parks/recreation facilities, and environmentally endangered lands, each of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements shown in Exhibits B-1 to E-1 of this report.

Brevard County adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance.

The basic governmental fund financial statements can be found on Exhibits A-3 to A-7 of this report.

Proprietary funds. Brevard County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Brevard County uses enterprise funds to account for its waste collection/disposal system, water resources, transit service and golf courses. Internal service funds are an accounting device used to accumulate and allocate costs internally among Brevard County's various functions. Brevard County uses internal service funds to account for its information systems and risk management. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the Solid Waste Management Department, Water Resources Department and Barefoot Bay Water & Sewer District, each of which are considered to be major funds of Brevard County. Individual fund data for the non-major enterprise and the internal service funds is provided in the form of combining statements shown in other Exhibits F-1 to G-3 of this report.

The basic proprietary fund financial statements can be found on Exhibits A-8 to A-10 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of

those funds are not available to support Brevard County's own programs. Individual fund data for each of these fiduciary funds is provided in the form of combining statements shown in Exhibits H-1 and H-2 of this report.

The basic fiduciary fund financial statements can be found on Exhibit A-11 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on Exhibit A-12 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Brevard County, assets exceeded liabilities by \$880.2 million at the close of the most recent fiscal year. Brevard County's increase in net assets for this fiscal year amounts to \$82.8 million.

The largest portion of Brevard County's net assets (55 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. Brevard County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Brevard County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since most of the capital assets themselves cannot be used to liquidate these liabilities.

Brevard County's Net Assets (in millions)						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Current and other assets	\$ 563.3	\$438.0	\$115.8	\$114.3	\$ 679.1	\$ 552.3
Capital assets	<u>556.7</u>	<u>497.8</u>	<u>237.1</u>	<u>231.3</u>	<u>793.8</u>	<u>729.1</u>
Total assets	<u>\$1,120.0</u>	<u>\$935.8</u>	<u>\$352.9</u>	<u>\$345.6</u>	<u>\$1,472.9</u>	<u>\$1,281.4</u>
Long-term liabilities outstanding	\$ 408.6	\$301.0	\$ 88.9	\$ 94.7	\$ 497.5	\$ 395.7
Other liabilities	<u>76.6</u>	<u>71.9</u>	<u>18.6</u>	<u>16.4</u>	<u>95.2</u>	<u>88.3</u>
Total liabilities	<u>\$ 485.2</u>	<u>\$372.9</u>	<u>\$107.5</u>	<u>\$111.1</u>	<u>\$ 592.7</u>	<u>\$ 484.0</u>
Net assets						
Invested in capital assets, net of related debt	\$ 325.3	\$273.4	\$161.4	\$146.4	\$ 486.7	\$ 419.8
Restricted	241.0	223.8	28.7	30.1	269.7	253.9
Unrestricted	<u>68.5</u>	<u>65.7</u>	<u>55.3</u>	<u>58.0</u>	<u>123.8</u>	<u>123.7</u>
Total net assets	<u>\$ 634.8</u>	<u>\$562.9</u>	<u>\$245.4</u>	<u>\$234.5</u>	<u>\$ 880.2</u>	<u>\$ 797.4</u>

An additional portion of Brevard County's net assets (31 percent) represents resources that are subject to external restrictions on how they may be used. The restrictions include acquiring land for preservation, capital improvements to parks, road construction/resurfacing and modernizing judicial records systems. The remaining

balance of unrestricted net assets (\$123.8 million) may be used to meet the government's ongoing obligations to citizens and creditors within the respective governmental and business-type activities.

At the end of the current fiscal year, Brevard County is able to report positive balances in all three categories of net assets as a whole and individually within the governmental and business-type activities.

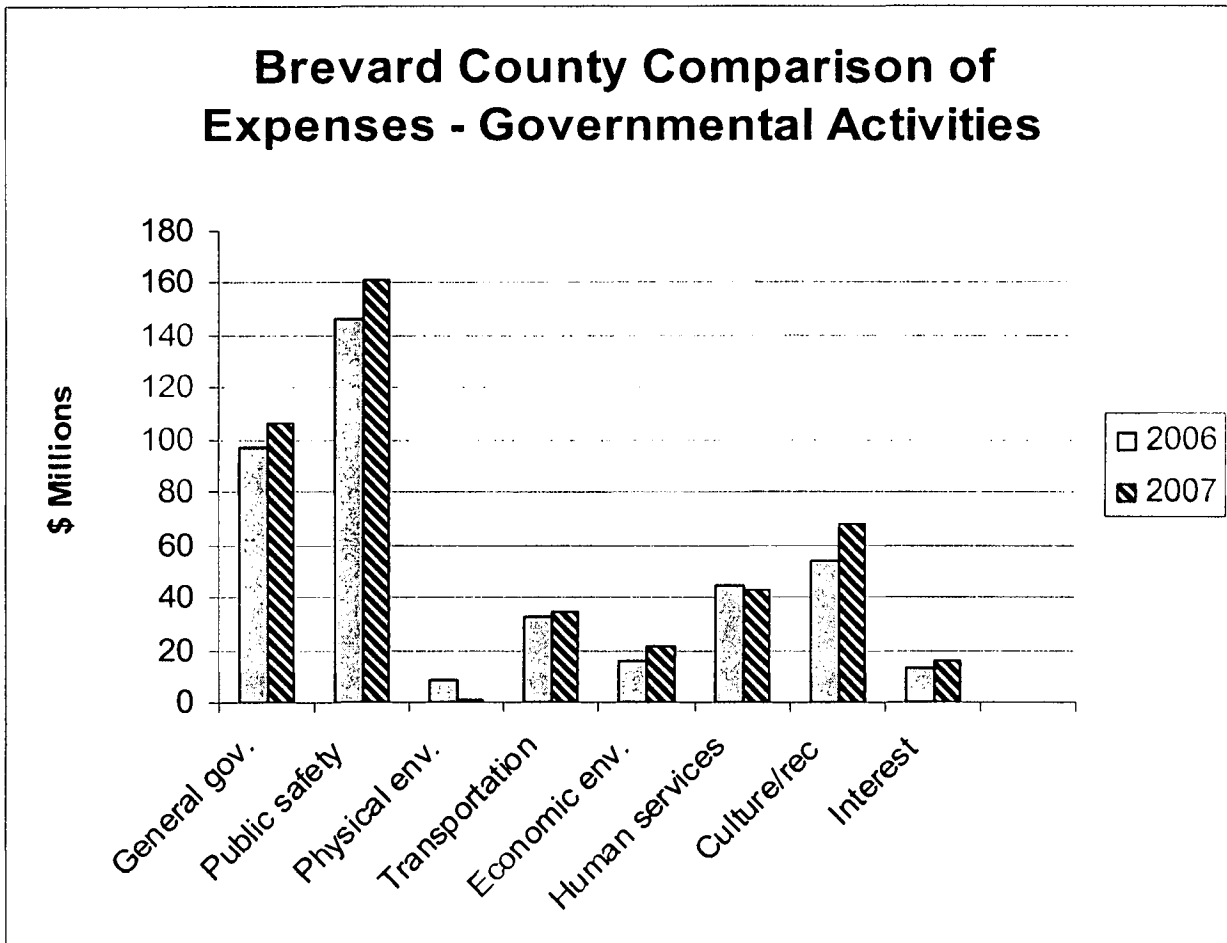
The Changes in Net Assets displayed below shows the governmental and business-type activities during the fiscal year. The increase in net assets resulted primarily from additional infrastructure added, as well as additional taxes, user fees and unspent capital bond proceeds.

Brevard County's Changes in Net Assets
(in millions)

	Governmental Activities		Business-type Activities		Total	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues						
Programs revenues:						
Charges for services	\$131.5	\$137.0	\$ 68.2	\$ 69.2	\$199.7	\$206.2
Operating grants and contributions	36.9	42.7	6.7	7.2	43.6	49.9
Capital grants and contributions	1.7	1.0	10.9	17.5	12.6	18.5
General revenues:						
Property taxes	240.2	210.7	0	0	240.2	210.7
Other taxes	41.9	41.2	0	0	41.9	41.2
State shared	33.2	35.7	0	0	33.2	35.7
Interest	27.5	18.7	6.3	4.9	33.8	23.6
Other	<u>16.2</u>	<u>11.2</u>	<u>0.8</u>	<u>1.0</u>	<u>17.0</u>	<u>12.2</u>
Total revenues	<u>\$529.1</u>	<u>\$498.2</u>	<u>\$ 92.9</u>	<u>\$ 99.8</u>	<u>\$622.0</u>	<u>\$598.0</u>
Expenses:						
General government	\$106.2	\$ 96.7	\$ 0	\$ 0	\$106.2	\$ 96.7
Public safety	161.7	146.2	0	0	161.7	146.2
Physical environment	1.2	8.4	0	0	1.2	8.4
Transportation	34.3	33.0	0	0	34.3	33.0
Economic environment	21.2	15.5	0	0	21.2	15.5
Human services	42.5	45.1	0	0	42.5	45.1
Culture and recreation	67.9	54.2	0	0	67.9	54.2
Interest on long-term debt	15.8	13.3	0	0	15.8	13.3
Solid waste	0	0	37.3	36.6	37.3	36.6
Water resources	0	0	32.2	30.7	32.2	30.7
Transit service	0	0	10.0	9.3	10.0	9.3
Golf courses	<u>0</u>	<u>0</u>	<u>4.7</u>	<u>4.8</u>	<u>4.7</u>	<u>4.8</u>
Total expenses	<u>\$450.8</u>	<u>\$412.4</u>	<u>\$ 84.2</u>	<u>\$ 81.4</u>	<u>\$535.0</u>	<u>\$493.8</u>
Increase in net assets before transfers and special items	\$ 78.3	\$ 85.8	\$ 8.7	\$ 18.4	\$ 87.0	\$104.2
Special items	0.7	0	0.5	0	1.2	0
Transfers	<u>(1.9)</u>	<u>(2.0)</u>	<u>1.9</u>	<u>2.0</u>	<u>0</u>	<u>0</u>
Increase in net assets	<u>\$ 77.1</u>	<u>\$ 83.8</u>	<u>\$ 11.1</u>	<u>\$ 20.4</u>	<u>\$ 88.2</u>	<u>\$104.2</u>
Net assets beginning	\$562.9	\$439.6	\$234.5	\$213.2	\$797.4	\$652.8
Cumulative effect in prior years	<u>(5.2)</u>	<u>39.5</u>	<u>(.2)</u>	<u>0.9</u>	<u>(5.4)</u>	<u>40.4</u>
Net assets ending	<u>\$634.8</u>	<u>\$562.9</u>	<u>\$245.4</u>	<u>\$234.5</u>	<u>\$880.2</u>	<u>\$797.4</u>

Financial Analysis of Governmental Activities

Governmental activities increased the County's net assets by \$77.1 million, compared to an increase of \$83.8 million in the previous year. Public safety expenses, including the Sheriff's department and Fire/Rescue account for the largest percentage (35%) of program expenses. This category of expenses experienced a \$15 million increase over the previous year. Salary and benefits costs for law enforcement and fire rescue personnel increased due to pay raises approved as part of a revised pay and classification plan. Increases in health insurance premiums and required retirement contributions were also a factor. Property tax revenues increased 14.0% over the previous year as a result of growth and increased property assessments. The chart comparing the major expenses of governmental activities for fiscal years 2006 and 2007 is as follows:



Financial Analysis of Business-type Activities

Business type activities increased the County's net assets by \$11.1 million, compared to \$20.4 million in the previous year. The County's water resources operations continued to experience the largest increase in net assets at \$6.4 million; however this was \$4.9 million less than the previous year because of lower connection fee revenues caused by the general decrease in building activity.

Financial Analysis of Brevard County's Funds

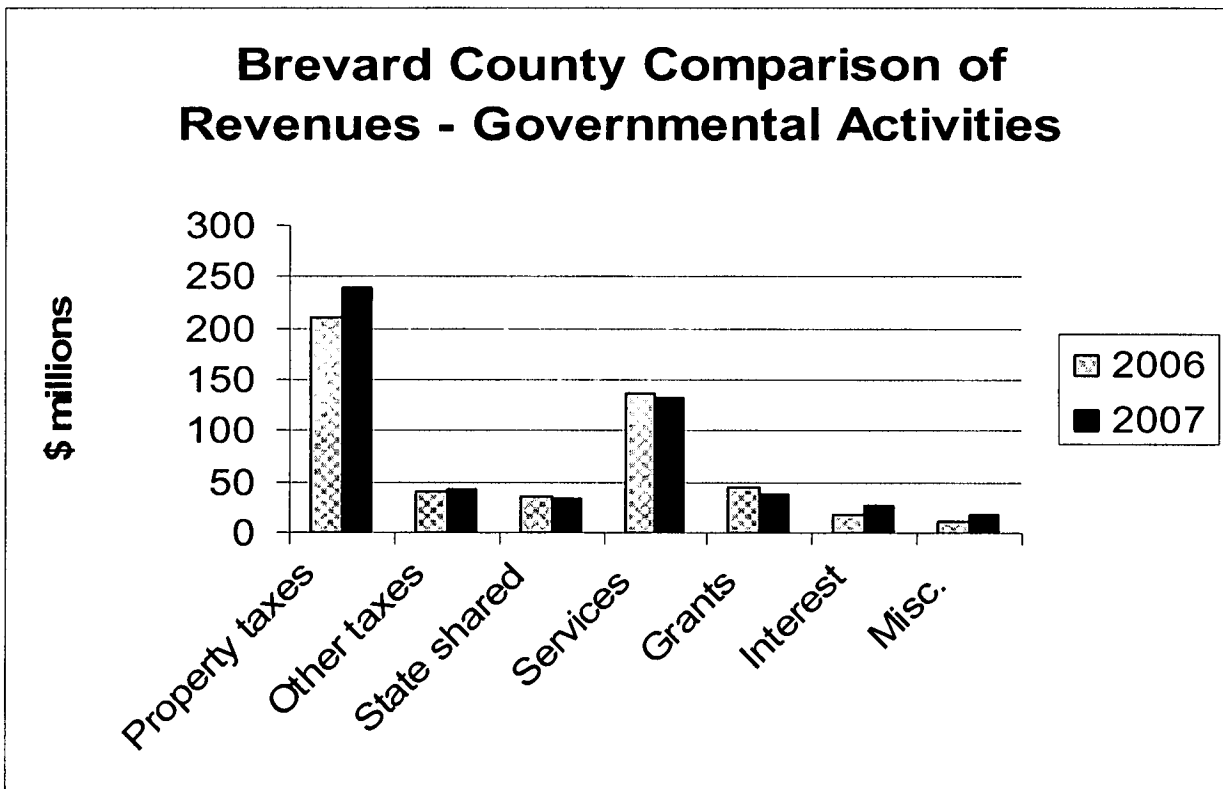
As noted earlier, Brevard County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

As of September 30, 2007, Brevard County governmental funds reported combined fund balances of \$467.4 million, an increase of \$118.0 million over the prior year balances. The increase is a result of taxes and other revenues received that remained unexpended and debt issued during the fiscal year dedicated to roads and parks and recreation that have been carried forward into fiscal year 2008.

The General Fund is the chief operating fund of the County. At September 30, 2007, total fund balance in the General Fund was \$53.1 million, of which \$49.7 million was unreserved. This is an increase of \$4.3 million over the preceding fiscal year. As a measure of the General Fund's liquidity, the total and unreserved fund balances compared to total fund expenditures and other financing uses shows percentages of 18.9% and 17.7% respectively. The General Fund revenues and other financing sources for fiscal year 2007 exceeded expenditures and other financing uses by \$8.0 million. The chart comparing the major revenues of governmental activities for fiscal years 2006 and 2007 is as follows:



The General Parks and Recreation Department received \$42.4 million of revenues during fiscal year 2007, which includes \$16.4 million of dedicated property taxes and \$20.5 million of General Fund financial support. The department expended \$33.3 million during the fiscal year for personnel, operations and some capital renovations. The \$9.1 million excess generated during fiscal year 2007 represents part of the \$14.8 million being carried over into fiscal year 2008 to complete parks and begin maintaining the parks and facilities as they become operational. The department anticipates receiving \$11.1 million of dedicated property taxes and \$18.4 million of General Fund financial support during fiscal year 2008.

Emergency Services received \$68.3 million of dedicated property taxes, fire assessment, ambulance fees and General fund financial support during fiscal year 2007. The department expended \$63.5 for personnel, operations and some capital renovations. Fire stations, a logistic warehouse and facilities were upgraded during the year. The \$4.8 million excess generated during fiscal year 2007 represents part of the \$22 million being carried over into fiscal year 2008 to complete stations, acquire vehicles and other capital facilities. The department anticipates receiving \$61.5 million of property taxes, fire assessment, ambulance fees and General Fund financial support during fiscal year 2008.

The Tourist Development Tax Special Revenue fund ended fiscal year 2007 with a fund balance of \$11.2 million, a decrease of \$.3 million over the preceding fiscal year. The tourist taxes collected during fiscal year 2007 totaled \$8.7 million. The County used \$2.8 million to renovate the major league spring training baseball facility. A portion of the annual tax, fund balance and a state grant of \$4.0 million are being applied to beach renourishment initiated in fiscal year 2005 and the outstanding debt.

The cash and investments held in the Transportation Trust, the Parks and Recreation Facilities, and the Environmentally Endangered Land Purchases Fund(s) include approximately \$254 million dedicated to construct roads, parks, and purchase land within the County. The funds were generated from municipal bonds financially supported by gas taxes and voter-approved property taxes.

Proprietary funds. Brevard County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail, and on a fund basis for the enterprise funds and internal service funds.

Enterprise Funds. At September 30, 2007, total net assets amounted to \$245.4 million for enterprise funds as compared to \$234.5 million at September 30, 2006. Net asset changes are a result of operations, investment earnings and capital contributions in the Solid Waste Management and Water Resources funds.

The Solid Waste Management Department reported a change in net assets of \$3.5 million, which includes impact fees of \$1.4 million. The service fees assessed are also used to fund part of the department's ongoing capital program.

The Water Resources Department reported a change in net assets of \$6.7 million. A net loss before contributions and transfers of \$3.3 million is offset primarily by capital contributions from connection fees of \$2.8 million and \$6.7 million in assets donated by developers. The assets donated by developers include the water/sewer lines and lift stations to be subsequently maintained by the County. The net loss resulted from depreciation on infrastructure assets contributed by private developers. This depreciation level is expected to continue into future years, but will not inhibit operations of the system or debt service compliance. The rates were increased 2% on October 1, 2006, and another 5% effective October 1, 2007. The service fees and connection fees are also applied toward updating the systems infrastructure.

General Fund Budgetary Highlights

Budget to actual statement is provided for the General Fund. A budget column for both the original budget adopted for fiscal year 2007 as well as the final budget is presented.

A comparison of the original to the final operating revenue budget shows an increase of \$7.0 million, primarily as a result of Federal and State grants applied to hurricanes relief. Expenditures were \$25.5 million less than final budgeted amounts. Spending levels for 2007 were adjusted by County management during the fiscal year in recognition of declining general revenues and the uncertainty associated with the property tax amendments.

Capital Asset and Debt Administration

Capital assets. Brevard County's investment in capital assets for its governmental and business-type activities as of September 30, 2007, amounts to \$793.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and structures, improvements, machinery and equipment, and park facilities. The roads, highways, bridges and other infrastructure are also included. The total increase in Brevard County's investment in capital assets for the current fiscal year was 8.9 percent (a 11.8 percent increase for governmental activities and a 2.5 percent increase for business-type activities).

Brevard County's Capital Assets (Net) (in millions)

	Governmental Activities		Business-type Activities		Total	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Land	\$170.6	\$156.6	\$ 37.8	\$ 38.0	\$208.4	\$194.6
Buildings and structures	149.0	129.8	37.1	37.6	186.1	167.4
Infrastructure	80.1	57.0	9.4	6.8	89.5	63.8
Improvements to land	18.7	14.5	4.0	11.1	22.7	25.6
Improvements other than buildings	8.3	9.0	120.7	110.3	129.0	119.3
Machinery and equipment	52.3	46.8	16.1	15.7	68.4	62.5
Construction in progress	<u>77.7</u>	<u>84.1</u>	<u>12.0</u>	<u>11.8</u>	<u>89.7</u>	<u>95.9</u>
Total	<u>\$556.7</u>	<u>\$497.8</u>	<u>\$237.1</u>	<u>\$231.3</u>	<u>\$793.8</u>	<u>\$729.1</u>

Additional information on Brevard County's capital assets can be found in notes to financial statements (Exhibit A-12, Note 7).

Long-term debt. At the end of the current fiscal year, Brevard County had total bonded debt outstanding of \$465.5 million. Of this amount, \$200.7 million comprises debt backed by voter approved property taxes and \$264.8 million is secured solely by specified revenue sources (i.e., revenue bonds).

Brevard County's Outstanding Debt (in millions)

General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Limited Ad valorem Tax Bonds	\$200.7	\$127.9	\$ 0	\$ 0	\$200.7	\$127.9
Revenue bonds	<u>190.3</u>	<u>151.0</u>	<u>74.5</u>	<u>83.4</u>	<u>264.8</u>	<u>234.4</u>
Total	<u>\$391.0</u>	<u>\$278.9</u>	<u>\$ 74.5</u>	<u>\$ 83.4</u>	<u>\$465.5</u>	<u>\$362.3</u>

Additional information on Brevard County's long-term debt can be found in notes to financial statements (Exhibit A-12, Note 14)

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Brevard County is currently 4.2 percent, which was an increase from a rate of 3.3 percent a year ago. The state's average unemployment rate is 4.5 percent and the national average rate is 4.8 percent.
- Total property valuation decreased from \$72.6 billion to \$71.4 billion. Taxable property valuation increased from \$39.4 billion to \$41.0 billion. The valuation of Save Our Homes exemptions is \$11.2 billion, down from \$14.6 billion in 2006.

During fiscal year 2007, the Florida Legislature imposed restrictions on the ability of municipalities and counties to increase millage rates. Brevard County also began to experience the decline in sales tax and other general revenues dependent on economic activity. Administrative steps have been taken to reduce expenditures to balance with funding available.

The number of building permits issued during 2007 was 11,765, a 31% decrease, reflecting a general decline in building activity.

All of these factors were considered in preparing Brevard County's budget for the 2008 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of Brevard County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Stephen Burdett, County Finance Director, 400 South St. Titusville, Florida 32780. Complete financial statements for each of the individual component units may be obtained at the entity's administrative office.





BASIC FINANCIAL STATEMENTS



BREVARD COUNTY, FLORIDA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2007

	<i>Primary Government</i>			<i>Component Units</i>
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	
ASSETS				
Cash and cash equivalents	\$ 524,153,529	\$ 68,337,965	\$ 592,491,494	\$ 18,703,492
Cash with escrow and paying agents	946,066	0	946,066	0
Receivables (net of allowance for uncollectibles)	13,693,927	845,943	14,539,870	66,678
Assessments receivable	63,335	0	63,335	0
Accrued interest receivable	2,008,780	498,758	2,507,538	16,946
Internal balances	(4,457,592)	4,457,592	0	0
Due from other governmental units	14,789,624	5,671,334	20,460,958	88,174
Inventory of supplies	4,565,798	1,199,264	5,765,062	59,103
Prepaid items	2,383,857	0	2,383,857	27,200
Deferred charges	0	0	0	3,626
Restricted assets:				
Cash and cash equivalents	0	33,925,122	33,925,122	0
Due from other governmental units	0	247,332	247,332	0
Capital assets, net of accumulated depreciation:				
Land	170,552,592	37,784,864	208,337,456	12,542,833
Buildings and structures	148,954,249	37,070,770	186,025,019	7,139,545
Infrastructure	80,085,705	9,398,751	89,484,456	0
Improvements to land	18,705,896	3,983,448	22,689,344	2,252,854
Improvements other than buildings	8,296,320	120,705,012	129,001,332	12,379,959
Machinery and equipment	52,345,599	16,097,497	68,443,096	1,714,070
Construction in progress	77,718,731	12,056,451	89,775,182	1,600,335
Assessments receivable - deferred	219,036	0	219,036	0
Capital lease receivable	430,000	0	430,000	0
Unamortized debt issue costs	4,502,344	617,088	5,119,432	0
Total assets	<u>\$ 1,119,957,796</u>	<u>\$ 352,897,191</u>	<u>\$ 1,472,854,987</u>	<u>\$ 56,594,815</u>

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Vouchers and contracts payable	\$ 21,726,900	\$ 6,727,538	\$ 28,454,438	\$ 422,005
Accrued wages and benefits payable	6,166,597	0	6,166,597	22,198
Accrued interest payable	3,718,732	114,989	3,833,721	0
Advance payments	0	0	0	303,377
Due to other governmental units	2,483,716	177,661	2,661,377	0
Matured interest payable	0	4,708	4,708	0
Unearned revenue	4,723,132	100	4,723,232	212,188
Liabilities payable from restricted assets:				
Accrued interest payable	0	572,473	572,473	0
Customer deposits	0	1,296,124	1,296,124	0
Revenue bonds	0	3,602,500	3,602,500	0
Noncurrent liabilities:				
Due within one year:				
Claims payable	10,443,450	0	10,443,450	0
Compensated absences	2,419,399	124,135	2,543,534	238,645
Leases payable	317,050	133,777	450,827	0
Notes payable	2,587,000	0	2,587,000	148,673
Bonds payable	22,025,454	5,827,046	27,852,500	0
Due in more than one year:				
Claims payable	4,741,826	0	4,741,826	0
Landfill closure and postclosure care	0	20,901,304	20,901,304	0
Compensated absences	24,134,673	1,835,386	25,970,059	0
Leases payable	444,182	169,039	613,221	0
Notes payable	7,969,000	0	7,969,000	1,942,003
Bonds payable (net of unamortized discounts and deferred amount on refunding)	371,267,401	65,954,548	437,221,949	0
Total liabilities	\$ 485,168,512	\$ 107,441,328	\$ 592,609,840	\$ 3,289,089
NET ASSETS				
Invested in capital assets (net of related debt)	\$ 325,252,032	\$ 161,409,883	\$ 486,661,915	\$ 35,538,920
Restricted for:				
Debt Service	3,571,184	7,801,538	11,372,722	0
General government	20,449,683	0	20,449,683	0
Education	5,740,485	0	5,740,485	0
Public safety	23,930,681	0	23,930,681	0
Physical environment	8,364,001	0	8,364,001	0
Transportation	100,756,753	0	100,756,753	0
Economic environment	11,235,976	0	11,235,976	0
Human services	12,886,062	0	12,886,062	0
Culture and recreation	54,112,250	0	54,112,250	0
Renewal and replacement	0	20,899,719	20,899,719	0
Unrestricted	68,490,177	55,344,723	123,834,900	17,766,806
Total net assets	\$ 634,789,284	\$ 245,455,863	\$ 880,245,147	\$ 53,305,726

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER, 30, 2007

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 106,172,376	\$ 50,227,068	\$ 2,852,987	\$ 0
Public safety	161,719,457	44,808,651	2,863,818	846,440
Physical environment	1,183,778	4,437,967	6,166,339	0
Transportation	34,319,606	12,210,302	8,859,949	854,277
Economic environment	21,221,106	0	12,687,756	0
Human services	42,533,216	15,659,506	2,267,082	0
Culture and recreation	67,935,340	4,191,269	1,244,283	0
Interest on long-term debt	15,795,849	0	0	0
Total governmental activities	<u>\$ 450,880,728</u>	<u>\$ 131,534,763</u>	<u>\$ 36,942,214</u>	<u>\$ 1,700,717</u>
Business type activities:				
Solid Waste	\$ 37,348,606	\$ 36,514,714	\$ 320,498	\$ 1,384,962
Water Resources	32,198,361	26,521,187	1,850	9,492,794
Transit Service	9,975,081	1,871,672	6,180,173	57,706
County-wide golf courses	4,744,212	3,272,463	220,841	0
Total business type activities	<u>\$ 84,266,260</u>	<u>\$ 68,180,036</u>	<u>\$ 6,723,362</u>	<u>\$ 10,935,462</u>
Total primary government	<u>\$ 535,146,988</u>	<u>\$ 199,714,799</u>	<u>\$ 43,665,576</u>	<u>\$ 12,636,179</u>
Component units:				
North Brevard County				
Public Library District	\$ 17,887	\$ 5,080	\$ 0	\$ 0
Merritt Island Redevelopment Agency	523,499	0	0	0
Titusville-Cocoa Airport Authority	2,612,368	3,043,132	0	0
Melbourne-Tillman Water Control District	2,648,452	1,649,471	0	0
Housing Finance Authority	122,987	411,777	0	0
Total component units	<u>\$ 5,925,193</u>	<u>\$ 5,109,460</u>	<u>\$ 0</u>	<u>\$ 0</u>

General revenues:

Taxes:

Ad valorem taxes, levied for general purposes

Ad valorem taxes, levied for debt service

Franchise fees

Local option gas tax

Tourist tax

Other

State shared revenues (unrestricted)

Interest income

Miscellaneous

Special items:

Gain on sale of land

Transfers

Total general revenues, special items, and transfers

Change in net assets

Net assets - beginning

Cumulative effect of prior years accounting error

Net assets - beginning, restated

Net assets - ending

The accompanying notes to the financial statements are an integral part of this statement.

*Net (Expense) Revenue and
Changes in Net Assets*

<i>Primary Government</i>			<i>Component Units</i>
<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	
\$ (53,092,321)	\$ 0	\$ (53,092,321)	
(113,200,548)	0	(113,200,548)	
9,420,528	0	9,420,528	
(12,395,078)	0	(12,395,078)	
(8,533,350)	0	(8,533,350)	
(24,606,628)	0	(24,606,628)	
(62,499,788)	0	(62,499,788)	
(15,795,849)	0	(15,795,849)	
<u>\$ (280,703,034)</u>	<u>\$ 0</u>	<u>\$ (280,703,034)</u>	
\$ 0	\$ 871,568	\$ 871,568	
0	3,817,470	3,817,470	
0	(1,865,530)	(1,865,530)	
0	(1,250,908)	(1,250,908)	
<u>\$ 0</u>	<u>\$ 1,572,600</u>	<u>\$ 1,572,600</u>	
<u>\$ (280,703,034)</u>	<u>\$ 1,572,600</u>	<u>\$ (279,130,434)</u>	
			\$ (12,807)
			(523,499)
			430,764
			(998,981)
			288,790
			<u>\$ (815,733)</u>
\$ 223,220,998	\$ 0	\$ 223,220,998	\$ 1,623
16,964,702	0	16,964,702	0
25,092,675	0	25,092,675	0
8,088,415	0	8,088,415	0
8,721,852	0	8,721,852	0
0	0	0	1,439,035
33,205,397	0	33,205,397	0
27,543,450	6,317,203	33,860,653	785,466
16,192,969	852,443	17,045,412	(1,149,268)
712,900	478,960	1,191,860	157,835
(1,925,057)	1,925,057	0	0
<u>\$ 357,818,301</u>	<u>\$ 9,573,663</u>	<u>\$ 367,391,964</u>	<u>\$ 1,234,691</u>
<u>\$ 77,115,267</u>	<u>\$ 11,146,263</u>	<u>\$ 88,261,530</u>	<u>\$ 418,958</u>
<u>\$ 562,951,643</u>	<u>\$ 234,454,519</u>	<u>\$ 797,406,162</u>	<u>\$ 52,886,768</u>
(5,277,626)	(144,919)	(5,422,545)	0
<u>\$ 557,674,017</u>	<u>\$ 234,309,600</u>	<u>\$ 791,983,617</u>	<u>\$ 52,886,768</u>
<u>\$ 634,789,284</u>	<u>\$ 245,455,863</u>	<u>\$ 880,245,147</u>	<u>\$ 53,305,726</u>

BREVARD COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<u>General</u>	<u>Emergency Services</u>
ASSETS		
Cash	\$ 57,946,278	\$ 20,433,693
Cash with escrow and paying agent	0	0
Receivables (net of allowance for uncollectibles):		
Accounts	4,065,176	8,802,427
Assessments, current	16,774	0
Accrued interest	196,202	97,825
Due from other funds	2,385,286	80,175
Due from other governmental units	6,278,238	420,703
Inventory of supplies	2,752,800	694,614
Advances to other funds	571,493	0
Prepaid items	135,692	0
Assessments receivable - deferred	13,378	0
Capital lease receivable	0	0
Total assets	<u>\$ 74,361,317</u>	<u>\$ 30,529,437</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 6,354,298	\$ 1,110,246
Accrued wages and benefits payable	5,834,059	0
Due to other funds	707,663	0
Due to other governmental units	1,792,756	0
Advances from other funds	1,932,566	0
Deferred revenue	4,604,760	7,441,197
Total liabilities	<u>\$ 21,226,102</u>	<u>\$ 8,551,443</u>
Fund balances:		
Reserved for:		
Debt service	\$ 0	\$ 0
Inventory	2,752,800	694,614
Prepaid items	135,692	0
Noncurrent receivables	571,493	0
Unreserved, reported in:		
General Fund	49,675,230	0
Debt Service funds	0	0
Special Revenue funds	0	21,283,380
Capital Project funds	0	0
Total fund balances	<u>\$ 53,135,215</u>	<u>\$ 21,977,994</u>
Total liabilities and fund balances	<u>\$ 74,361,317</u>	<u>\$ 30,529,437</u>

The accompanying notes to the financial statements are an integral part of this statement.

<i>Brevard County Transportation Trust</i>	<i>Parks and Recreation Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 141,642,412	\$ 92,512,440	\$ 64,964,685	\$ 99,933,800	\$ 477,433,308
269,206	0	0	4,640	273,846
32,145	25	2,968	396,735	13,299,476
0	0	0	46,561	63,335
611,697	137,742	333,951	436,860	1,814,277
0	0	0	632,668	3,098,129
2,804,487	0	46,419	4,545,965	14,095,812
49,850	0	0	1,068,534	4,565,798
0	0	0	482,998	1,054,491
0	0	0	0	135,692
0	0	0	205,658	219,036
0	0	0	430,000	430,000
<u>\$ 145,409,797</u>	<u>\$ 92,650,207</u>	<u>\$ 65,348,023</u>	<u>\$ 108,184,419</u>	<u>\$ 516,483,200</u>
\$ 1,976,041	\$ 1,935,238	\$ 568,292	\$ 6,912,196	\$ 18,856,311
0	0	0	332,538	6,166,597
0	0	0	2,515,667	3,223,330
361,679	0	0	324,881	2,479,316
0	0	0	571,493	2,504,059
233,320	0	46,619	3,542,374	15,868,270
<u>\$ 2,571,040</u>	<u>\$ 1,935,238</u>	<u>\$ 614,911</u>	<u>\$ 14,199,149</u>	<u>\$ 49,097,883</u>
\$ 0	\$ 0	\$ 0	\$ 877,000	\$ 877,000
49,850	0	0	1,068,534	4,565,798
0	0	0	0	135,692
0	0	0	482,998	1,054,491
0	0	0	0	49,675,230
0	0	0	11,802,985	11,802,985
142,788,907	0	0	68,486,774	232,559,061
0	90,714,969	64,733,112	11,266,979	166,715,060
<u>\$ 142,838,757</u>	<u>\$ 90,714,969</u>	<u>\$ 64,733,112</u>	<u>\$ 93,985,270</u>	<u>\$ 467,385,317</u>
<u>\$ 145,409,797</u>	<u>\$ 92,650,207</u>	<u>\$ 65,348,023</u>	<u>\$ 108,184,419</u>	<u>\$ 516,483,200</u>

BREVARD COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

Fund balances - total governmental funds	\$ 467,385,317
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	554,409,169
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	4,502,344
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	(434,505,794)
Deferred revenue in the governmental funds susceptible to full accrual on the entity-wide statements.	11,145,138
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities.	<u>31,853,110</u>
Net assets of governmental activities	<u><u>\$ 634,789,284</u></u>



BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>General</u>	<u>Emergency Services</u>
REVENUES		
Taxes	\$ 180,571,672	\$ 11,205,529
Licenses and permits	4,467,817	0
Intergovernmental revenues	40,862,374	1,854,156
Charges for services	38,947,709	15,785,901
Fines and forfeits	4,241,543	379,188
Miscellaneous revenues	10,732,773	23,754,528
Total revenues	<u>\$ 279,823,888</u>	<u>\$ 52,979,302</u>
EXPENDITURES		
Current:		
General government	\$ 96,344,696	\$ 0
Public safety	78,584,226	60,718,169
Physical environment	4,085,183	0
Transportation	7,845,011	0
Economic environment	6,832,192	0
Human services	11,990,131	0
Culture and recreation	18,195,673	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	2,756,111	527,243
Interest	257,125	114,960
Total expenditures	<u>\$ 226,890,348</u>	<u>\$ 61,360,372</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 52,933,540</u>	<u>\$ (8,381,070)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 7,171,821	\$ 14,912,104
Transfers out	(53,574,204)	(2,175,154)
Proceeds of the sale of capital assets	239,199	43,884
Insurance proceeds	257,718	92,605
Capital leases issued	117,104	297,646
Capital related debt issued	867,000	0
Bond premium	0	0
Total other financing sources and (uses)	<u>\$ (44,921,362)</u>	<u>\$ 13,171,085</u>
Special items		
Proceeds from sale of land	0	0
Net change in fund balances	<u>\$ 8,012,178</u>	<u>\$ 4,790,015</u>
Fund balances - beginning	\$ 47,724,080	\$ 17,083,560
Cumulative effect in prior years of accounting error	(3,172,150)	0
Fund balances - beginning, restated	\$ 44,551,930	\$ 17,083,560
Increase (decrease) in reserve for inventory of supplies and prepaid items	571,107	104,419
Fund balances - ending	<u><u>\$ 53,135,215</u></u>	<u><u>\$ 21,977,994</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

<i>Brevard County Transportation Trust</i>	<i>Parks and Recreation Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
\$ 8,782,869	\$ 0	\$ 0	\$ 81,528,571	\$ 282,088,641
0	0	0	3,282,915	7,750,732
8,677,686	241,737	0	21,888,710	73,524,663
4,680,909	0	0	11,926,863	71,341,382
0	0	0	1,413,512	6,034,243
12,947,526	3,615,102	3,709,777	26,974,621	81,734,327
<u>\$ 35,088,990</u>	<u>\$ 3,856,839</u>	<u>\$ 3,709,777</u>	<u>\$ 147,015,192</u>	<u>\$ 522,473,988</u>
\$ 0	\$ 0	\$ 0	\$ 10,447,784	\$ 106,792,480
0	0	0	28,261,178	167,563,573
0	0	0	7,102,944	11,188,127
37,643,351	0	0	6,633,745	52,122,107
0	0	0	15,940,510	22,772,702
0	0	0	9,497,323	21,487,454
0	0	0	37,079,040	55,274,713
0	0	0	21,635,564	21,635,564
0	18,409,567	9,352,647	11,471,973	39,234,187
3,389,379	0	0	20,170,700	26,843,433
4,601,693	0	0	11,456,806	16,430,584
<u>\$ 45,634,423</u>	<u>\$ 18,409,567</u>	<u>\$ 9,352,647</u>	<u>\$ 179,697,567</u>	<u>\$ 541,344,924</u>
<u>\$ (10,545,433)</u>	<u>\$ (14,552,728)</u>	<u>\$ (5,642,870)</u>	<u>\$ (32,682,375)</u>	<u>\$ (18,870,936)</u>
\$ 7,124,733	\$ 900,000	\$ 0	\$ 34,216,105	\$ 64,324,763
(391,992)	(28,478)	0	(10,079,992)	(66,249,820)
366,359	0	0	41,441	690,883
78,214	0	0	341,273	769,810
0	0	0	0	414,750
48,435,000	83,426,813	0	1,148,187	133,877,000
1,116,643	3,012,000	0	0	4,128,643
<u>\$ 56,728,957</u>	<u>\$ 87,310,335</u>	<u>\$ 0</u>	<u>\$ 25,667,014</u>	<u>\$ 137,956,029</u>
610,000	994,725	0	0	1,604,725
<u>\$ 46,793,524</u>	<u>\$ 73,752,332</u>	<u>\$ (5,642,870)</u>	<u>\$ (7,015,361)</u>	<u>\$ 120,689,818</u>
\$ 96,505,860	\$ 16,962,637	\$ 70,375,982	\$ 100,751,196	\$ 349,403,315
(467,747)	0	0	0	(3,639,897)
<u>\$ 96,038,113</u>	<u>\$ 16,962,637</u>	<u>\$ 70,375,982</u>	<u>\$ 100,751,196</u>	<u>\$ 345,763,418</u>
7,120	0	0	249,435	932,081
<u>\$ 142,838,757</u>	<u>\$ 90,714,969</u>	<u>\$ 64,733,112</u>	<u>\$ 93,985,270</u>	<u>\$ 467,385,317</u>

BREVARD COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

Net change in fund balances - total governmental funds	\$ 120,689,818
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.	59,527,920
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	(455,637)
Some revenues reported governmental funds are to be collected on a long-term basis and therefore are not reported in the statement of activities.	2,401,978
Long-term bonds and lease proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded repayments.	(109,644,333)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.	(2,946,764)
Some expenditures reported in governmental funds are to be collected on a long-term basis and therefore are not reported in the statement of activities.	932,081
Internal service funds are used by management to charge the costs of certain services to individual funds. The net (revenue) of the internal service funds is reported with governmental activities.	6,610,204
Change in net assets of governmental activities	<u>\$ 77,115,267</u>



BREVARD COUNTY, FLORIDA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 164,495,742	\$ 166,448,518	\$ 156,173,452	\$ (10,275,066)
Franchise fees	17,000,000	17,000,000	15,487,500	(1,512,500)
Communication services tax	9,342,304	9,342,304	8,910,720	(431,584)
Total taxes	\$ 190,838,046	\$ 192,790,822	\$ 180,571,672	\$ (12,219,150)
Licenses and permits:				
Professional and occupational licenses	\$ 345,000	\$ 303,000	\$ 585,780	\$ 282,780
Other licenses	4,716,702	4,209,375	3,882,037	(327,338)
Total licenses and permits	\$ 5,061,702	\$ 4,512,375	\$ 4,467,817	\$ (44,558)
Intergovernmental revenues:				
Federal grants	\$ 392,687	\$ 4,794,978	\$ 3,093,673	\$ (1,701,305)
Federal payments in lieu of taxes	340,000	340,000	336,628	(3,372)
State grants	2,997,120	3,389,191	2,768,580	(620,611)
State shared revenues	35,276,508	35,376,205	33,334,222	(2,041,983)
Grants from other local units	0	65,710	21,104	(44,606)
Payments from other local units in lieu of taxes	1,209,291	1,313,371	1,308,167	(5,204)
Total intergovernmental revenues	\$ 40,215,606	\$ 45,279,455	\$ 40,862,374	\$ (4,417,081)
Charges for services:				
General government	\$ 13,428,962	\$ 15,101,323	\$ 13,854,627	\$ (1,246,696)
Public safety	419,126	600,679	701,147	100,468
Physical environment	359,298	398,103	358,917	(39,186)
Transportation	742,370	650,028	703,482	53,454
Human services	321,000	321,000	291,277	(29,723)
Culture and recreation	2,820,718	2,820,718	2,632,481	(188,237)
Court-related revenues	15,345,330	15,345,330	10,955,665	(4,389,665)
Other charges for services	10,787,431	10,345,761	9,450,113	(895,648)
Total charges for services	\$ 44,224,235	\$ 45,582,942	\$ 38,947,709	\$ (6,635,233)
Fines and forfeits	\$ 553,538	\$ 380,510	\$ 4,241,543	\$ 3,861,033
Miscellaneous revenues:				
Interest earnings	\$ 3,455,245	\$ 3,514,560	\$ 6,110,856	\$ 2,596,296
Rents and royalties	1,714,664	1,714,664	1,647,343	(67,321)
Special assessments	0	0	5,603	5,603
Contributions and donations	66,158	67,401	99,465	32,064
Other miscellaneous revenues	4,381,488	3,635,513	2,869,506	(766,007)
Total miscellaneous revenues	\$ 9,617,555	\$ 8,932,138	\$ 10,732,773	\$ 1,800,635
Total revenues	\$ 290,510,682	\$ 297,478,242	\$ 279,823,888	\$ (17,654,354)
EXPENDITURES				
General government:				
Legislative	\$ 1,469,126	\$ 1,469,126	\$ 1,467,267	\$ 1,859
Executive	966,870	966,870	855,109	111,761
Financial and administrative	35,923,632	38,466,139	35,416,422	3,049,717
Legal counsel	1,453,004	1,453,004	1,407,156	45,848
Comprehensive planning	4,366,494	4,465,494	3,768,817	696,677
Court related	28,340,558	29,610,015	28,523,507	1,086,508
Other general government	33,233,516	32,822,240	24,906,418	7,915,822
Total general government	\$ 105,753,200	\$ 109,252,888	\$ 96,344,696	\$ 12,908,192

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
Expenditures (continued)				
Public safety:				
Law enforcement	\$ 39,406,171	\$ 43,089,214	\$ 39,130,451	\$ 3,958,763
Detention and/or correction	31,843,044	33,816,517	34,411,476	(594,959)
Protective inspections	2,355,686	2,357,686	2,025,741	331,945
Emergency and disaster relief services	1,817,443	1,944,790	1,567,414	377,376
Medical examiner	1,707,004	1,707,004	1,449,144	257,860
Total public safety	\$ 77,129,348	\$ 82,915,211	\$ 78,584,226	\$ 4,330,985
Physical environment:				
Conservation and resource management	\$ 4,754,445	\$ 5,305,971	\$ 4,085,183	\$ 1,220,788
Transportation:				
Road and street facilities	\$ 7,824,318	\$ 8,571,343	\$ 7,393,683	\$ 1,177,660
Airports	540,816	401,850	395,570	6,280
Other transportation services	76,290	76,290	55,758	20,532
Total transportation	\$ 8,441,424	\$ 9,049,483	\$ 7,845,011	\$ 1,204,472
Economic environment:				
Industry development	\$ 6,264,241	\$ 6,624,116	\$ 6,534,323	\$ 89,793
Veterans' services	336,400	336,400	297,869	38,531
Total economic environment	\$ 6,600,641	\$ 6,960,516	\$ 6,832,192	\$ 128,324
Human services:				
Health	\$ 9,071,713	\$ 9,071,713	\$ 7,294,080	\$ 1,777,633
Mental health	2,110,947	2,110,947	1,913,825	197,122
Welfare	2,803,846	2,928,333	2,716,679	211,654
Developmental disabilities	71,644	71,644	65,547	6,097
Other human services	44,140	44,140	0	44,140
Total human services	\$ 14,102,290	\$ 14,226,777	\$ 11,990,131	\$ 2,236,646
Culture and recreation:				
Parks and recreation	\$ 19,456,305	\$ 21,137,122	\$ 17,534,884	\$ 3,602,238
Cultural services	673,241	673,241	660,789	12,452
Total culture and recreation	\$ 20,129,546	\$ 21,810,363	\$ 18,195,673	\$ 3,614,690
Debt service:				
Principal	\$ 1,434,071	\$ 2,636,071	\$ 2,756,111	\$ (120,040)
Interest	188,134	254,586	257,125	(2,539)
Total debt service	\$ 1,622,205	\$ 2,890,657	\$ 3,013,236	\$ (122,579)
Total expenditures	\$ 238,533,099	\$ 252,411,866	\$ 226,890,348	\$ 25,521,518
Excess of revenues over expenditures	\$ 51,977,583	\$ 45,066,376	\$ 52,933,540	\$ 7,867,164
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 7,145,300	\$ 8,099,947	\$ 7,171,821	\$ (928,126)
Transfers out	(51,672,721)	(53,635,339)	(53,574,204)	61,135
Proceeds of the sale of capital assets	134,000	134,000	239,199	105,199
Insurance proceeds	0	0	257,718	257,718
Capital leases issued	0	0	117,104	117,104
Capital related debt issued	117,825	1,089,067	867,000	(222,067)
Total other financing sources and uses	\$ (44,275,596)	\$ (44,312,325)	\$ (44,921,362)	\$ (609,037)
Net change in fund balances	\$ 7,701,987	\$ 754,051	\$ 8,012,178	\$ 7,258,127
Fund balances - beginning	\$ 47,724,080	\$ 47,724,080	\$ 47,724,080	\$ 0
Cumulative effect in prior years of accounting error	0	0	(3,172,150)	(3,172,150)
Fund balances - restated	\$ 47,724,080	\$ 47,724,080	\$ 44,551,930	\$ (3,172,150)
Decrease in reserve for inventory of supplies and prepaid items	0	0	571,107	571,107
Fund balances - ending	\$ 55,426,067	\$ 48,478,131	\$ 53,135,215	\$ 4,657,084

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY, FLORIDA
EMERGENCY SERVICES

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes	\$ 11,603,717	\$ 11,603,717	\$ 11,205,529	\$ (398,188)
Intergovernmental revenues	1,137,623	1,664,514	1,854,156	189,642
Charges for services	23,463,036	17,325,323	15,785,901	(1,539,422)
Fines and forfeits	415,000	415,000	379,188	(35,812)
Miscellaneous revenues	24,644,308	24,344,361	23,754,528	(589,833)
Total revenues	<u>\$ 61,263,684</u>	<u>\$ 55,352,915</u>	<u>\$ 52,979,302</u>	<u>\$ (2,373,613)</u>
EXPENDITURES				
Current:				
Public safety	\$ 77,287,178	\$ 73,404,040	\$ 60,718,169	\$ 12,685,871
Debt service:				
Principal	674,278	674,278	527,243	147,035
Interest	199,048	199,048	114,960	84,088
Total expenditures	<u>\$ 78,160,504</u>	<u>\$ 74,277,366</u>	<u>\$ 61,360,372</u>	<u>\$ 12,916,994</u>
Deficiency of revenues under expenditures	<u>\$ (16,896,820)</u>	<u>\$ (18,924,451)</u>	<u>\$ (8,381,070)</u>	<u>\$ 10,543,381</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 20,326,831	\$ 14,926,931	\$ 14,912,104	\$ (14,827)
Transfers out	(1,548,274)	(2,607,286)	(2,175,154)	432,132
Proceeds of the sale of capital assets	40,000	40,000	43,884	3,884
Insurance proceeds	0	0	92,605	92,605
Capital leases issued	0	0	297,646	297,646
Capital related to debt issued	1,600,000	1,600,000	0	(1,600,000)
Total other financing sources and uses	<u>\$ 20,418,557</u>	<u>\$ 13,959,645</u>	<u>\$ 13,171,085</u>	<u>\$ (788,560)</u>
Net change in fund balances	<u>\$ 3,521,737</u>	<u>\$ (4,964,806)</u>	<u>\$ 4,790,015</u>	<u>\$ 9,754,821</u>
Fund balances - beginning	17,083,560	17,083,560	17,083,560	0
Increase in reserve for inventory of supplies	0	0	104,419	104,419
Fund balances - ending	<u>\$ 20,605,297</u>	<u>\$ 12,118,754</u>	<u>\$ 21,977,994</u>	<u>\$ 9,859,240</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY, FLORIDA
BREVARD COUNTY TRANSPORTATION TRUST
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Taxes	\$ 8,683,204	\$ 8,683,204	\$ 8,782,869	\$ 99,665
Intergovernmental revenues	8,365,832	8,365,832	8,677,686	311,854
Charges for services	4,166,854	4,398,529	4,680,909	282,380
Miscellaneous revenues	20,191,204	9,797,126	12,947,526	3,150,400
Total revenues	<u>\$ 41,407,094</u>	<u>\$ 31,244,691</u>	<u>\$ 35,088,990</u>	<u>\$ 3,844,299</u>
EXPENDITURES				
Current:				
Transportation	\$ 95,753,809	\$ 160,937,971	\$ 37,643,351	\$ 123,294,620
Intergovernmental	0	1,957,948	0	1,957,948
Debt service:				
Principal	3,275,000	3,275,000	3,389,379	(114,379)
Interest	3,664,133	4,788,686	4,601,693	186,993
Total expenditures	<u>\$ 102,692,942</u>	<u>\$ 170,959,605</u>	<u>\$ 45,634,423</u>	<u>\$ 125,325,182</u>
Deficiency of revenues under expenditures	<u>\$ (61,285,848)</u>	<u>\$ (139,714,914)</u>	<u>\$ (10,545,433)</u>	<u>\$ 129,169,481</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 7,377,719	\$ 7,213,816	\$ 7,124,733	\$ (89,083)
Transfers out	(391,992)	(391,992)	(391,992)	0
Proceeds of the sale of capital assets	20,000	40,000	366,359	326,359
Insurance proceeds	5,000	9,425	78,214	68,789
Capital related debt issued	0	48,435,001	48,435,000	(1)
Bond premium	0	1,116,643	1,116,643	0
Total other financing sources and uses	<u>\$ 7,010,727</u>	<u>\$ 56,422,893</u>	<u>\$ 56,728,957</u>	<u>\$ 306,064</u>
Special items				
Proceeds from sale of land	\$ 0	\$ 0	\$ 610,000	\$ 610,000
Net change in fund balances	<u>\$ (54,275,121)</u>	<u>\$ (83,292,021)</u>	<u>\$ 46,793,524</u>	<u>\$ 130,085,545</u>
Fund balances - beginning	\$ 96,505,860	\$ 96,505,860	\$ 96,505,860	\$ 0
Cumulative effect in prior years of accounting error	0	0	(467,747)	(467,747)
Fund balances - beginning, restated	\$ 96,505,860	\$ 96,505,860	\$ 96,038,113	\$ (467,747)
Increase in reserve for inventory of supplies	0	0	7,120	7,120
Fund balances - ending	<u>\$ 42,230,739</u>	<u>\$ 13,213,839</u>	<u>\$ 142,838,757</u>	<u>\$ 129,624,918</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2007

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 39,975,884	\$ 19,660,374
Cash with escrow and paying agent	0	0
Accounts receivable (net of allowance for uncollectibles)	500,834	90,243
Accrued interest receivable	269,910	184,858
Due from other funds	41,732	83,469
Due from other governmental units	482,788	3,344,354
Prepaid items	0	0
Inventories	188,008	786,825
Restricted assets:		
Cash and cash equivalents	20,613,520	12,369,333
Due from other governmental units	0	247,332
Total current assets	<u>\$ 62,072,676</u>	<u>\$ 36,766,788</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 27,087,160	\$ 3,525,805
Buildings and structures	25,245,746	20,173,573
Infrastructure	2,397,618	7,413,913
Improvements to land	1,011,388	0
Improvements other than buildings	18,669,077	217,209,290
Machinery and equipment	17,223,835	9,376,636
Less accumulated depreciation	(22,430,438)	(129,760,708)
Construction in progress	1,387,646	10,423,451
Advances to other funds	483,180	2,166,538
Unamortized debt issue costs	14,672	240,052
Total noncurrent assets	<u>\$ 71,089,884</u>	<u>\$ 140,768,550</u>
Total assets	<u>\$ 133,162,560</u>	<u>\$ 177,535,338</u>

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water & Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 1,426,030	\$ 7,275,677	\$ 68,337,965	\$ 46,720,221
0	0	0	672,220
157,047	97,819	845,943	394,451
7,158	36,832	498,758	194,503
0	0	125,201	0
61,316	1,782,876	5,671,334	693,812
0	0	0	2,248,165
99,680	124,751	1,199,264	0
942,269	0	33,925,122	0
0	0	247,332	0
<u>\$ 2,693,500</u>	<u>\$ 9,317,955</u>	<u>\$ 110,850,919</u>	<u>\$ 50,923,372</u>
\$ 5,000,000	\$ 2,171,899	\$ 37,784,864	\$ 0
1,160,339	4,677,702	51,257,360	0
0	0	9,811,531	0
0	7,840,442	8,851,830	0
13,944,601	143,732	249,966,700	0
157,076	14,921,827	41,679,374	4,961,603
(4,820,890)	(17,299,281)	(174,311,317)	(2,711,680)
194,978	50,376	12,056,451	0
0	0	2,649,718	0
294,869	67,495	617,088	0
<u>\$ 15,930,973</u>	<u>\$ 12,574,192</u>	<u>\$ 240,363,599</u>	<u>\$ 2,249,923</u>
<u>\$ 18,624,473</u>	<u>\$ 21,892,147</u>	<u>\$ 351,214,518</u>	<u>\$ 53,173,295</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2007

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
LIABILITIES		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 1,812,315	\$ 3,120,578
Claims payable	0	0
Due to other governmental units	169,023	0
Matured interest payable	0	4,708
Accrued interest payable	0	0
Accrued compensated absences	45,219	42,218
Revenue bonds	2,780,000	2,312,500
Capital leases payable	0	0
Current liabilities		
(payable from restricted assets):		
Accrued interest payable	0	199,128
Customer deposits	371,029	878,499
Revenue bonds	0	3,237,500
Unearned revenue	0	0
Total current liabilities	<u>\$ 5,177,586</u>	<u>\$ 9,795,131</u>
Noncurrent liabilities:		
Revenue bonds payable (net of unamortized discounts and deferred amount on refunding)	\$ 3,972,644	\$ 41,216,290
Capital leases payable	0	0
Notes payable	0	0
Advances from other funds	0	0
Landfill closure and postclosure care	20,901,304	0
Accrued compensated absences	610,898	746,317
Claims payable	0	0
Total noncurrent liabilities	<u>\$ 25,484,846</u>	<u>\$ 41,962,607</u>
Total liabilities	<u>\$ 30,662,432</u>	<u>\$ 51,757,738</u>
NET ASSETS		
Invested in capital assets, net of related debt	\$ 63,839,388	\$ 91,595,670
Restricted for:		
Debt service	0	7,801,538
Renewal and replacement	20,242,491	500,000
Unrestricted	18,418,249	25,880,392
Total net assets	<u>\$ 102,500,128</u>	<u>\$ 125,777,600</u>

Adjustment to reflect the consolidation of Internal Service fund activities related to Enterprise funds

Net assets of business-type activities

The accompanying notes to the financial statements are an integral part of this statement.

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water & Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 53,179	\$ 1,741,466	\$ 6,727,538	\$ 2,870,589
0	0	0	10,443,450
0	8,638	177,661	4,400
0	0	4,708	0
0	114,989	114,989	0
1,144	35,554	124,135	32,266
0	734,546	5,827,046	0
0	133,777	133,777	0
373,345	0	572,473	0
46,596	0	1,296,124	0
365,000	0	3,602,500	0
100	0	100	0
<u>\$ 839,364</u>	<u>\$ 2,768,970</u>	<u>\$ 18,581,051</u>	<u>\$ 13,350,705</u>
\$ 14,489,373	\$ 6,276,241	\$ 65,954,548	\$ 0
0	169,039	169,039	0
0	0	0	56,000
1,200,150	0	1,200,150	0
0	0	20,901,304	0
82,606	395,565	1,835,386	288,831
0	0	0	4,741,826
<u>\$ 15,772,129</u>	<u>\$ 6,840,845</u>	<u>\$ 90,060,427</u>	<u>\$ 5,086,657</u>
<u>\$ 16,611,493</u>	<u>\$ 9,609,815</u>	<u>\$ 108,641,478</u>	<u>\$ 18,437,362</u>
\$ 781,731	\$ 5,193,094	\$ 161,409,883	\$ 2,193,923
0	0	7,801,538	0
157,228	0	20,899,719	0
1,074,021	7,089,238	52,461,900	32,542,010
<u>\$ 2,012,980</u>	<u>\$ 12,282,332</u>	<u>\$ 242,573,040</u>	<u>\$ 34,735,933</u>
		<u>\$ 2,882,823</u>	
		<u>\$ 245,455,863</u>	

BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Operating revenues:		
Service fees	\$ 25,510,353	\$ 23,576,708
Less cost of goods sold	0	0
Total operating revenues	<u>\$ 25,510,353</u>	<u>\$ 23,576,708</u>
Operating expenses:		
Wages and benefits	\$ 8,636,482	\$ 7,867,589
Repair, maintenance, and other services	7,062,783	9,819,548
Materials and supplies	3,405,848	1,092,191
Landfill closure and postclosure care	3,879,251	0
Depreciation	3,639,830	7,941,714
Insurance claims expense	0	0
Total operating expenses	<u>\$ 26,624,194</u>	<u>\$ 26,721,042</u>
Operating income (loss)	<u>\$ (1,113,841)</u>	<u>\$ (3,144,334)</u>
Nonoperating revenues (expenses):		
Income on investments	\$ 3,559,764	\$ 2,046,809
Interest expense	(395,212)	(2,199,660)
Miscellaneous revenue	432,602	76,728
Grants and matching funds	229,802	1,850
Gain (loss) on disposal of capital assets	(68,861)	(2,524)
Amortization of debt issue costs	(25,941)	(74,917)
Total nonoperating revenues (expenses)	<u>\$ 3,732,154</u>	<u>\$ (151,714)</u>
Income (loss) before contributions and transfers	<u>\$ 2,618,313</u>	<u>\$ (3,296,048)</u>
Capital contributions	\$ 1,384,962	\$ 9,490,734
Transfers in	93,031	0
Transfers out	(636,882)	(10,806)
Total contributions and transfers	<u>\$ 841,111</u>	<u>\$ 9,479,928</u>
Special items:		
Gain on the sale of land	\$ 0	\$ 478,960
Change in net assets	<u>\$ 3,459,424</u>	<u>\$ 6,662,840</u>
Net assets - beginning	\$ 99,040,704	\$ 119,114,760
Cumulative effect in prior years of accounting error	0	0
Net assets - beginning, restated	<u>\$ 99,040,704</u>	<u>\$ 119,114,760</u>
Net assets - ending	<u><u>\$ 102,500,128</u></u>	<u><u>\$ 125,777,600</u></u>

Adjustment to reflect the consolidation of Internal Service fund activities related to Enterprise funds.

Change in net assets of business-type activities

The accompanying notes to the financial statements are an integral part of this statement.

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water & Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 2,944,479	\$ 16,303,398	\$ 68,334,938	\$ 67,423,503
0	(154,902)	(154,902)	0
<u>\$ 2,944,479</u>	<u>\$ 16,148,496</u>	<u>\$ 68,180,036</u>	<u>\$ 67,423,503</u>
\$ 798,922	\$ 5,451,875	\$ 22,754,868	\$ 3,481,031
842,710	15,185,537	32,910,578	15,015,487
130,096	2,337,293	6,965,428	136,088
0	0	3,879,251	0
821,075	2,028,925	14,431,544	608,832
0	0	0	45,485,046
<u>\$ 2,592,803</u>	<u>\$ 25,003,630</u>	<u>\$ 80,941,669</u>	<u>\$ 64,726,484</u>
<u>\$ 351,676</u>	<u>\$ (8,855,134)</u>	<u>\$ (12,761,633)</u>	<u>\$ 2,697,019</u>
\$ 148,793	\$ 561,837	\$ 6,317,203	\$ 2,170,117
(751,456)	(431,406)	(3,777,734)	(2,632)
16,709	326,404	852,443	2,187,092
0	6,491,710	6,723,362	0
(35,439)	194,932	88,108	(23,210)
(22,488)	(13,811)	(137,157)	0
<u>\$ (643,881)</u>	<u>\$ 7,129,666</u>	<u>\$ 10,066,225</u>	<u>\$ 4,331,367</u>
\$ (292,205)	\$ (1,725,468)	\$ (2,695,408)	\$ 7,028,386
\$ 2,060	\$ 57,706	\$ 10,935,462	\$ 84,010
0	3,181,706	3,274,737	0
0	(701,992)	(1,349,680)	0
<u>\$ 2,060</u>	<u>\$ 2,537,420</u>	<u>\$ 12,860,519</u>	<u>\$ 84,010</u>
\$ 0	\$ 0	\$ 478,960	\$ 0
<u>\$ (290,145)</u>	<u>\$ 811,952</u>	<u>\$ 10,644,071</u>	<u>\$ 7,112,396</u>
\$ 2,448,044	\$ 11,470,380		\$ 29,261,266
(144,919)	0		(1,637,729)
<u>\$ 2,303,125</u>	<u>\$ 11,470,380</u>		<u>\$ 27,623,537</u>
<u>\$ 2,012,980</u>	<u>\$ 12,282,332</u>		<u>\$ 34,735,933</u>
		502,192	
		<u>\$ 11,146,263</u>	

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Business-type Activities -</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Cash flows from operating activities:		
Cash receipts for service fees	\$ 25,752,352	\$ 23,217,129
Cash receipts from other sources	428,128	31,234
Cash payments to employees for services	(8,764,993)	(8,015,279)
Cash payments to suppliers for goods and services	(10,438,114)	(10,457,510)
Cash payments for insurance claims	0	0
Net cash provided by (used for) operating activities	<u>\$ 6,977,373</u>	<u>\$ 4,775,574</u>
Cash flows from noncapital financing activities:		
Grant receipts	\$ 71,947	\$ 1,110
Transfers in	93,031	0
Transfers out	(636,882)	(10,803)
Interfund loans	0	572,483
Net cash flows provided by (used for) noncapital financing activities	<u>\$ (471,904)</u>	<u>\$ 562,790</u>
Cash flows from capital and related financing activities:		
Principal payments	\$ (2,535,000)	\$ (5,280,000)
Interest payments	(294,420)	(2,532,885)
Capital grant receipts	0	0
Payments to acquire, construct, or improve fixed assets	(5,389,906)	(6,528,102)
Proceeds from disposal of capital assets	367,172	819,409
Impact/connection fees for capital purposes	1,414,255	2,829,650
Net cash flows provided by (used for) capital and related financing activities	<u>\$ (6,437,899)</u>	<u>\$ (10,691,928)</u>
Cash flows from investing activities:		
Interest on investments	\$ 3,656,774	\$ 2,000,799
Sale of securities	5,194,500	0
Net cash flows provided by (used for) investing activities	<u>\$ 8,851,274</u>	<u>\$ 2,000,799</u>
Net increase (decrease) in cash and cash equivalents	\$ 8,918,844	\$ (3,352,765)
Cash and cash equivalents, October 1, 2006	51,670,560	35,382,472
Cash and cash equivalents, September 30, 2007	<u>\$ 60,589,404</u>	<u>\$ 32,029,707</u>

<i>Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water & Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 2,931,672	\$ 16,063,637	\$ 67,964,790	\$ 66,653,520
3,585	291,171	754,118	2,326,608
(810,597)	(5,518,427)	(23,109,296)	(3,057,533)
(1,236,166)	(17,679,673)	(39,811,463)	(14,615,008)
0	0	0	(43,233,197)
<u>\$ 888,494</u>	<u>\$ (6,843,292)</u>	<u>\$ 5,798,149</u>	<u>\$ 8,074,390</u>
\$ 0	\$ 6,563,379	\$ 6,636,436	\$ 0
0	3,181,706	3,274,737	0
0	(701,992)	(1,349,677)	0
0	(377,000)	195,483	400,000
<u>\$ 0</u>	<u>\$ 8,666,093</u>	<u>\$ 8,756,979</u>	<u>\$ 400,000</u>
\$ (355,000)	\$ (839,051)	\$ (9,009,051)	\$ (56,000)
(747,958)	(370,161)	(3,945,424)	(2,632)
0	57,706	57,706	0
(347,776)	(94,477)	(12,360,261)	(336,704)
0	199,931	1,386,512	6,058
3,985	0	4,247,890	0
<u>\$ (1,446,749)</u>	<u>\$ (1,046,052)</u>	<u>\$ (19,622,628)</u>	<u>\$ (389,278)</u>
\$ 150,710	\$ 540,456	\$ 6,348,739	\$ 2,119,692
0	0	5,194,500	0
<u>\$ 150,710</u>	<u>\$ 540,456</u>	<u>\$ 11,543,239</u>	<u>\$ 2,119,692</u>
\$ (407,545)	\$ 1,317,205	\$ 6,475,739	\$ 10,204,804
2,775,844	5,958,472	95,787,348	37,187,637
<u>\$ 2,368,299</u>	<u>\$ 7,275,677</u>	<u>\$ 102,263,087</u>	<u>\$ 47,392,441</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Business-type Activities -</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	\$ (1,113,841)	\$ (3,144,334)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation expense	\$ 3,639,830	\$ 7,941,714
Bad debt expense	0	0
Landfill closure and postclosure care	3,879,251	0
Miscellaneous revenue	432,602	76,728
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	286,814	51,633
(Increase) decrease in due from other funds	244	0
(Increase) decrease in due from other governmental units	(153,290)	(18,882)
(Increase) decrease in inventory of supplies	(14,916)	(85,735)
(Increase) decrease in allowance for uncollectible accounts	0	0
(Increase) decrease in prepaid items	0	0
Increase (decrease) in deferred revenue	0	0
Increase (decrease) in customer deposits	22,417	(151,711)
Increase (decrease) in accrued compensated absences	9,825	(12,788)
Increase (decrease) vouchers & contracts payable	(12,149)	228,067
Increase (decrease) in insurance claims	0	0
Increase (decrease) in wages payable	0	(109,118)
Increase (decrease) in due to other funds	0	0
Increase (decrease) in due to other governmental units	586	0
Total adjustment	\$ 8,091,214	\$ 7,919,908
Net cash provided by operating activities	\$ 6,977,373	\$ 4,775,574
Noncash investing, capital and financing activities:		
Capital contributed by developers	\$ 0	\$ 6,654,857

The accompanying notes to the financial statements are an integral part of this statement.

<i>Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water & Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
<u>\$ 351,676</u>	<u>\$ (8,855,134)</u>	<u>\$ (12,761,633)</u>	<u>\$ 2,697,019</u>
\$ 821,075	\$ 2,028,925	\$ 14,431,544	\$ 608,832
0	42	42	0
0	0	3,879,251	0
16,709	326,259	852,298	2,187,092
25,812	(50,278)	313,981	(86,928)
0	0	244	0
0	(219,223)	(391,395)	(431,089)
(3,908)	(10,822)	(115,381)	0
0	317	317	0
0	0	0	571,852
(199,325)	0	(199,325)	0
7,000	0	(122,294)	0
(1,775)	1,996	(2,742)	(49,910)
(53,081)	4,537	167,374	(907,902)
0	0	0	3,517,219
(9,736)	(69,666)	(188,520)	(31,795)
(65,953)	0	(65,953)	0
0	(245)	341	0
<u>\$ 536,818</u>	<u>\$ 2,011,842</u>	<u>\$ 18,559,782</u>	<u>\$ 5,377,371</u>
<u>\$ 888,494</u>	<u>\$ (6,843,292)</u>	<u>\$ 5,798,149</u>	<u>\$ 8,074,390</u>
<u>\$ 0</u>	<u>\$ 0</u>		

BREVARD COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2007

	<i>Agency Funds</i>
<hr/>	
ASSETS	
Cash	\$ 25,704,504
Investments	1,604,423
Accounts receivable	290,544
Assessments, current	2,580
Accrued interest receivable	7,618
Due from other governmental units	49,048
Total assets	<u>\$ 27,658,717</u>
LIABILITIES	
Due to employees, individuals, and others	\$ 9,108,225
Due to other governmental units	3,513,999
Escrow and refundable deposits	<u>15,036,493</u>
Total liabilities	<u>\$ 27,658,717</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Brevard County is a political subdivision of the State of Florida. It consists of the following Charter Offices, which are governed by state statutes and regulations:

Board of County Commissioners
Sheriff
Clerk of the Circuit Court
Tax Collector
Property Appraiser
Supervisor of Elections

As required by generally accepted accounting principles (GAAP), these financial statements present Brevard County and its component units. The component units represent entities for which Brevard County is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and, therefore, data from these units are combined with data of the primary government. The Board of County Commissioners (Board) serves as the governing body for the Brevard County Free Public Library District, the Brevard County Mosquito Control District, the County Special Recreation District IV, the North Brevard Recreation Special District, and the South Brevard Recreation Special District, therefore, these component units are reported as governmental funds. The Board also serves as the governing body of the Barefoot Bay Water & Sewer District, which is reported as an Enterprise Fund. Discretely presented component units are reported in a separate column, in the government-wide financial statements, to emphasize their legal separation from Brevard County. The reporting period for each component unit ends on September 30th.

Discretely Presented Component Units

North Brevard County Public Library District - The Library District was established pursuant to Chapter 69-869, Laws of Florida, to fund the operation of a public library system in North Brevard County. The City of Titusville appoints five members of the Library Board, and the Board of County Commissioners (Board) appoints two members. Although the Library District is not fiscally dependent upon the Board, it would be misleading to exclude the Library District from the reporting entity. The Library District is classified as a dependent special district to the Board by the Florida Department of Community Affairs and, as such, is required to be included in the annual report filed with the Florida Department of Banking and Finance. The Library District is presented as a governmental fund.

Merritt Island Redevelopment Agency - The Agency was established pursuant to Section 163.387, Florida Statutes, and Ordinance 89-28, as amended by 90-188, to fund redevelopment in the Merritt Island area. The Board of County Commissioners (Board) appoints all members of the Agency board. The Board provides financial support by establishing, through an ordinance, the incremental tax revenue for the Agency. The Agency is presented as a governmental fund.

Titusville-Cocoa Airport Authority - The Airport Authority operates three general aviation airports within the Titusville-Cocoa Airport District. The Airport Authority was established pursuant to Chapter 63-1143, Special Acts of Florida. The Board of County Commissioners (Board) appoints all members of the Airport Authority board. The Board approves the Airport Authority's budget and millage. The Airport Authority is presented as a proprietary fund.

Melbourne-Tillman Water Control District - The Water Control District (District) was created by the Florida Legislature in 1986, to secure, operate, and maintain an adequate, dependable surface water management system within a portion of South Brevard County. The District operates under the authority of Chapter 2001-336, Laws of Florida, as amended by Chapter 2003-334, Laws of Florida. The Board of County Commissioners (Board) appoints three of the seven member board of the District. The Cities of Palm Bay and Melbourne appoint the other four members. The Board approves the District's budget. The District is presented as a proprietary fund.

Brevard County Housing Finance Authority - The Housing Finance Authority was created pursuant to Chapter 159, Part V, Florida Statutes, and County Ordinance 79-09, for the specific purpose of alleviating a shortage of housing and capital for investment in housing in Brevard County. The members of the Housing Finance Authority board are appointed by the Board of County Commissioners (Board) and can be removed, without cause, by a three-fifths vote of the Board. The Housing Finance Authority is presented as a proprietary fund type. Revenue bonds issued by

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

the Housing Finance Authority do not constitute indebtedness of the Board, the Housing Finance Authority, or the State, and are secured solely by mortgage loans and interest earnings therein. Accordingly, such obligations are not included within the accompanying financial statements.

Complete financial statements for each of the individual component units may be obtained at the entity's administrative office.

Related Organizations

The Board of County Commissioners (Board) is responsible for all of the board appointments for the Health Facilities Authority and Educational Facilities Authority. The Board also appoints a majority of the board members for the North Brevard County Hospital District. However, the Board has no further financial accountability for any of these organizations.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements consist of a Statement of Net Assets and a Statement of Activities. These statements report information on all of the nonfiduciary activities of the primary government and its component units as a whole. As part of the consolidation process, all interfund activities are eliminated from these statements, except for the residual amounts between governmental and business-type activities reported as "internal balances." On both statements, governmental activities are reported separately from business-type activities and the primary government is reported separately from its discretely presented component units.

Net assets, the difference between assets and liabilities, as presented in the Statement of Net Assets are subdivided into three categories: amounts invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Net assets are reported as restricted when constraints are imposed on the use of the amounts either externally by creditors, grantors, contributors, or laws or regulations of other governments, or by law through constitutional provisions or enabling legislation.

The Statement of Activities presents a comparison between the direct and indirect expenses of a given function or segment and its program revenues, and displays the extent to which each function or segment contributes to the change in net assets for the fiscal year. Direct expenses are those that are clearly identifiable to a specific function or segment. The Intergovernmental activity represents disbursements to other governments that will administer use of the funds. Indirect expenses are indirect costs the County has allocated to functions through various automatic allocation methods. Program revenues consist of charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to amounts received from those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Grants and contributions consist of revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues not classified as program revenues are reported as general revenues.

Separate fund financial statements report detailed information about the County's governmental, proprietary and fiduciary funds. The focus of governmental and proprietary fund financial statements is on major funds. Therefore, major funds are reported as separate columns in the fund financial statements and nonmajor funds are aggregated and presented as a single column on each statement. The internal service funds are presented in a single column on the face of the proprietary fund statements. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentation.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes, other charges for services, and various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements, as well as the proprietary and fiduciary fund financial statements, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred. Proprietary funds

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

distinguish between operating and nonoperating revenues and expenses. Operating revenues generally result from producing and delivering goods or providing services, such as water, sewer and garbage services, to the general public. Operating expenses for these operations include the costs of sales and services, administrative expenses and depreciation. All revenues and expenses not meeting the definition of operating are reported as nonoperating revenues and expenses.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days (ninety days for intergovernmental revenue).

The primary revenue sources for governmental funds are state revenue sharing funds, franchise fees, special assessments, impact fees, property taxes, and interest earnings on investments. Primary revenue sources associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenues, such as licenses and permits, charges for services, and miscellaneous revenues, are considered to be measurable and available only when payment is received.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, accumulated sick and vacation pay, prepaid insurance and similar items, and principal and interest on long-term debt are recorded only when payment is due.

In applying the modified accrual basis of accounting to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are typically two types of intergovernmental revenues. One type requires monies to be expended for the specific purpose or project before any amounts will be reimbursed to the County and, therefore, the revenues recognized are based upon recorded expenditures. The other provides monies that are generally unrestricted as to purpose of expenditure and are substantially irrevocable (i.e. revocable only for failure to comply with prescribed compliance requirements). These revenues are recognized at the time of receipt or earlier if they meet the availability criterion.

The following are reported as major governmental funds:

General Fund - The General Fund is the general operating fund of the County. All general tax revenues and other receipts that are not required either legally or by generally accepted accounting principles to be accounted for in other funds are accounted for in the General Fund.

Emergency Services Special Revenue Fund - The Emergency Services Special Revenue Fund is used to account for an ad valorem tax levy of up to .6431 mills for the provision of fire protection services in accordance with the voted referendum in 1998, impact fees, ambulance charges, and a county-wide non-ad valorem assessment for the provision of fire services in the unincorporated areas of Brevard County as well as the cities of Palm Shores, West Melbourne, Melbourne Village, and Grant-Valkaria.

Transportation Trust Special Revenue Fund - The Transportation Trust Special Revenue Fund is used to account for the construction and maintenance of County roads. These activities include road maintenance, traffic control, right-of-way acquisition, and construction of new roadways. Funds are provided from state-shared revenues and gas taxes collected and distributed by the State of Florida, impact fees, and non-ad valorem revenue from the General Fund.

Parks and Recreation Capital Projects Fund - The Parks and Recreation Capital Projects Fund is used to account for the construction and improvements made to recreational facilities.

Environmentally Endangered Land Purchases Capital Projects Fund - The Environmentally Endangered Land Purchases Capital Projects Fund is used to account for the acquisition of and improvements to, environmentally endangered lands in Brevard County.

The following are reported as major enterprise funds:

Solid Waste Management Department Enterprise Fund - The Solid Waste Management Department Enterprise Fund is used to account for disposal fees and expenses associated with the provision of solid waste disposal within Brevard County pursuant to Chapter 67-1146, Special Acts of Florida.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Water Resources Enterprise Fund - The Water Resources Enterprise Fund is used to account for service charge revenues and expenses associated with the provision of water/wastewater services in certain areas of Brevard County pursuant to Chapter 67-1145, Special Acts of Florida.

Barefoot Bay Water & Sewer District Enterprise Fund - The Barefoot Bay Water & Sewer District Enterprise Fund is used to account for service charge revenues and expenses associated with the provision of water/wastewater services to the Barefoot Bay area of Brevard County, in accordance with County Ordinance 99-77.

The County also reports the following funds:

Internal Service Funds - Internal Service funds are used to account for the financing of goods or services provided by one department to other departments of the County or to other governmental units on a cost reimbursement basis. The County has Internal Service funds for risk management and information/communications systems.

Agency Funds - Agency funds are clearing accounts for assets held by a government as an agent for individuals, private organizations, or other governments or other funds. Agency funds are custodial in nature (assets equals liabilities) and do not involve the measurement of results of operations. The County has agency funds to account for performance bonds, forfeitures, registry of court, and tax collections received and held by the Board, Sheriff, Clerk, and Tax Collector as agents for individuals, private organizations or other governments.

D. Budget

Brevard County follows the procedures detailed below in establishing the budgetary data reflected in the financial statements:

The Supervisor of Elections and Sheriff submit, for approval, their tentative budgets for the ensuing fiscal year to the Board of County Commissioners by May 1 and June 1, respectively. The Brevard County Property Appraiser and Tax Collector submit their budgets, for approval, to the State of Florida, Department of Revenue, and file a copy with the Board of County Commissioners by June 1 and August 1, respectively.

The Clerk of the Circuit Court's budget is prepared in two parts. The first part, which relates to the state court system functions, is filed with the State Courts Administrator. The second part, which relates to the duties as Clerk to the Board of County Commissioners, County Auditor, Custodian, Treasurer of all County funds and the recording function, is submitted to the Board of County Commissioners by May 1 of each year.

Although the Board of County Commissioners sets the Sheriff's and Supervisor of Elections' budgets and the Florida Department of Revenue sets the Property Appraiser's and Tax Collector's budgets, budget appeals can be instituted with the State of Florida Administrative Commission by the affected parties.

Within 15 days of the annual certification of property values by the Property Appraiser, the County Budget Office submits to the Board of County Commissioners the County's budget for the following fiscal year. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments. During the public hearings required by Chapter 200, Florida Statutes, the budgets of the Sheriff, Supervisor of Elections, and the Clerk to the Board's portion of the Clerk's budget are approved as part of the County's budget. Prior to September 30, the County's budget is legally enacted through passage of a resolution by the Board of County Commissioners.

The Board of County Commissioners may enact supplemental budgets during the fiscal year. These supplemental budgets must be adopted in accordance with the same laws that governed the adoption of the original budget. Two public hearings are required.

Pursuant to Section 129.07, Florida Statutes, it is unlawful to expend or contract for the expenditure in any fiscal year for more than the amount budgeted in each fund. The legal level of budgetary control is at the fund level. The Board, pursuant to Section 129.06, Florida Statutes, may amend the original and supplemental budgets at any time within the fiscal year during the Board's regular sessions. The County Manager may authorize interdepartmental and line item transfers up to \$100,000.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Amendments to the Property Appraiser's and Tax Collector's budgets are controlled by the State of Florida, Department of Revenue. Amendments to the Clerk of the Circuit Court's budget that relate to state court system functions require approval by the State of Florida, Department of Financial Services.

Formal budgetary integration is employed as a management control device in all governmental funds. Budgets for all governmental funds are adopted on a basis consistent with generally accepted accounting principles. All General, Special Revenue, Debt Service, and Capital Projects funds have legally adopted budgets.

Supplemental and amended budgets totaling \$132,146,584 were enacted during the fiscal year primarily to authorize appropriation of proceeds from the issuance of debt, grant revenues, and unbudgeted cash balances. Revenue budgets were reduced in areas impacted by construction activity, i.e., building permits and impact fees.

E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial individual cost of more than established threshold and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

<u>Capital Asset Category</u>	<u>Capitalization threshold</u>
Land	Capitalize all
Improvements to land	\$ 5,000
Buildings and structures	35,000
Improvements other than buildings	5,000
Infrastructure	35,000
Machinery & equipment	750

In accordance with GASB Statement No. 34, effective October 1, 2005, the county implemented the retroactive reporting of infrastructure assets associated with governmental activities acquired or constructed after October 1, 1980.

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

Depreciation of exhaustible fixed assets is charged as an expense against the operations of the governmental and business-type activities in the government-wide financial statements. Depreciation of assets in the proprietary funds is also charged as an expense at the fund level. Since the purpose of the governmental fund level statements is to show the sources and uses of current assets, capital assets and depreciation are not shown.

Capital assets of the County, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and structures	25-40
Improvements to land	15-35
Improvements other than buildings	5-25
Infrastructure	10-75
Machinery & equipment	3-10

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

G. Unbilled Service Revenues

Approximately 93% of the Water Resources Department's service fee revenue is billed and collected by cities as agents for the County. Cash collected by the cities is remitted monthly to the County. The County records all revenues billed by the cities through the end of the fiscal year. Unbilled revenue, which results from cycle billing practices of the cities, is recorded in the following fiscal year.

H. Restricted Assets

The use of certain Enterprise assets is restricted by bond resolutions and agreements with various parties. Examples include – assets set aside for maximum debt service, renewal and replacement reserves and landfill closure and postclosure care. Assets so designated are identified as restricted assets on the balance sheet.

I. Inventory and Prepaid Items

Inventory is valued at cost, which approximates market value using the first-in, first-out (FIFO) method. Inventory in the General and Special Revenue Funds consists of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when purchased. Inventory remaining at year-end is reserved in fund balance.

Inventory in the Proprietary Funds fund financial statements is recorded as an expense when used. Inventory in the entity-wide Statement of Activities, for both governmental and business-type activities are recorded as an expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide Statement of Net Assets. In the governmental fund's Statement of Revenues, Expenditures and Changes in Fund Balances, prepaid items are included in expenditures for the current period.

J. Investments

Investments are valued at fair market in accordance with GASB 31. Investments, and income from investments owned by individual funds, are recorded in the respective fund. The County maintains a consolidated account to maximize investment yields. Investment income, resulting from pooling of investments within the consolidated account, is allocated based on the average cash balances for the respective funds.

K. Deferred Income

Noncurrent portions of long-term receivables of governmental funds are reported on their balance sheets regardless of their spending measurement focus. Special reporting treatments are used to indicate that they should not be considered "available spendable resources" since they do not represent net current assets. Recognition of governmental fund type revenues, represented by noncurrent receivables, is deferred until they become current receivables. Significant deferred income in the governmental fund types include receivables for the provision of ambulance services and grant receivables. The noncurrent portion of long-term loan receivables, usually associated with interfund loans, is offset by fund balance reserve accounts.

L. Accrued Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and a portion of sick pay is accrued when earned and a liability is reported in the government-wide and proprietary fund financial statements. A liability is reported in the governmental funds only if a liability results from employee resignations/retirements and they are to be paid with current operating funds. Estimates have been utilized to determine the amount to report as the current portion.

M. Property Taxes

Property taxes are levied on property values as of January 1. Property taxes are due and payable as of November 1 and become delinquent on April 1. A tax certificate sale is held at the end of May on all delinquent real estate taxes, and a lien is placed on the property; therefore, real estate taxes which would be susceptible to accrual are fully collected prior to the end of the County's fiscal year.

Ad valorem taxes levied by the Board of County Commissioners, for countywide public services, against real and tangible personal property, are limited by State Statutes to 10 mills on the dollar of assessed value unless any excess is approved by referendum of the voters. In addition, the County may levy up to 10 mills for municipal type services within the districts.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

N. Amortization of Bond Discounts and Issue Costs - Enterprise Funds

Bond discounts and issue costs are amortized over the life of the bonds in accordance with Accounting Principles Board Opinion No. 21, as amended.

O. Reserves of Fund Balances and Net Assets

Reserve accounts are used to disclose the portions of fund balances (governmental funds) or net assets (proprietary funds) which are legally restricted for specific future uses. The County's policy is that generally restricted resources are used first to fund appropriations.

P. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the financial statement date and the reported amounts of revenues and expenses or expenditures during the reporting period. Actual results could differ from those estimates.

Q. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Proprietary Funds consider all highly liquid investments, (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents. Investments included within the County's pooled consolidated bank account are included as cash.

2. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$434,505,794 difference are as follows:

Bonds payable	\$390,995,662
Less: Deferred charge on refunding (to be amortized as interest expense)	(3,807,426)
Less: Discount (to be amortized as interest expense)	(277,849)
Plus: Issuance premium (to be amortized as interest expense)	6,382,468
Accrued interest payable	3,718,732
Leases payable	761,232
Notes payable	10,500,000
Accrued compensated absences	<u>26,232,975</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i>	<u>\$434,505,794</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that, "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense." The details of this \$59,527,920 difference are as follows:

Capital outlay	\$ 80,677,840
Depreciation expense	<u>(21,149,920)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 59,527,920</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Another element of the reconciliation states that, "The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets." The details of this \$455,637 difference are as follows:

In the statement of activities, only the <i>gain</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.	\$ 2,108,067
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	<u>(1,652,430)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 455,637</u>

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$109,644,333 difference are as follows:

Debt issued or incurred:	
Issuance of bonds	\$130,410,000
Premiums	4,128,643
Debt issuance costs for bonds issued	(1,932,627)
Capital leases	414,750
Issuance of notes payable	3,467,000
Principal repayments:	
Bonds	(18,278,850)
Capital lease	(329,583)
Notes payable	<u>\$ (8,235,000)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$109,644,333</u>

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this \$2,946,764 difference are as follows:

Accrued compensated absences	\$ 1,106,601
Accrued interest	1,216,412
Amortization of deferred charge on refunding	681,165
Amortization of debt issuance costs	544,903
Amortization of bond discounts/premium	<u>(602,317)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 2,946,764</u>

3. Fund Balance Deficit – Nonmajor Governmental Funds – The fund balance deficit of \$782,890 for Grants, is a result of grant reimbursements received too late in the subsequent fiscal year to be considered available, and were therefore reported as deferred revenue.
4. Cash - Monies available within various funds were consolidated for investment purposes. The amount of public funds invested is discussed in Note 5. Substantially all operating cash at September 30, 2007, was invested utilizing the pooled investment concept. Interest earned was allocated to the various funds based on their average cash balance within the consolidated account. The average monthly interest rates on investments held by the County, in the pooled account, ranged from 5.21% to 5.42%.

Cash with escrow and paying agent of \$946,106 is comprised of \$269,206 accounted for in Brevard County Transportation Trust fund for the acquisition of land, \$4,640 accounted for in the Special Revenue Funds for the Brevard County Shore Protection Project and \$672,220 accounted for in the Internal Service Funds as an insurance reserve balance as required by the County's insurance providers.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

5. **Investments** - The investment program is established in accordance with the County's investment policy, pertinent bond resolutions and Sections 125.31 and 218.415, Florida Statutes, which allows the County to invest in the State Board of Administration, State of Florida, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, Corporate Notes and time deposits or savings accounts of financial institutions under Federal and State regulation. Obligations of the different agencies of the Federal Government include fixed rate mortgage-backed securities.

The investing of public funds with the State Board of Administration (SBA) - Local Government Surplus Funds Trust Fund - is governed by Section 218.407, Florida Statutes. The SBA is under the regulatory oversight of the State of Florida. This investment pool consists largely of corporate notes and commercial paper. The SBA met the criteria to be a "2a-7 like" pool as defined in GASB 31 at September 30, 2007. Therefore the investment balance, as reported, is equal to the value of our pooled shares.

Custodial Risk

The carrying amount of the County's demand deposits was \$47,270,726 at September 30, 2007. The demand deposits are insured by the FDIC up to \$100,000 per entity. Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Deposits Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the County pursuant to Section 280.08, Florida Statutes. Corporate notes, U.S. Treasury notes and all federal agency obligations are held by the County's agent in the County's name.

Credit Risk

Concentration of credit risk is the risk of loss attributable to a government's investment in a single issuer. To limit concentration of credit risk, the County's policy restricts the amount that is allowed to be invested in any one issuer. Federal Instrumentalities are limited to no more than 25% per issuer. Corporate Notes and Commercial Paper are limited to 5% per issuer. Investments in Federal Home Loan Bank, Federal Home Loan Mortgage Corp, and Federal National Mortgage Assn. represented 11%, 7% and 8% respectively, of the County's total investments.

Credit quality risk results from the potential default of investments that are not financially sound. The County's policy requires that Corporate Notes must have a rating, of at least, in the category "Aa" by Moody's and "AA" by Standard & Poor's. The Corporate Notes currently held in the portfolio have a Standard & Poor's rating of AA. The credit quality of the federal agency securities held by the County is AAA rated by Standard & Poor's. The SBA - Local Government Surplus Funds Trust Fund was not rated by a nationally recognized rating agency at September 30, 2007.

Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, the County investment policy prohibits purchases of securities with final maturities of 10 years or greater. The policy also limits the overall weighted average duration of principal return for the entire portfolio to less than 3 years. The County's current weighted average duration is 0.87 years.

As of September 30, 2007, the County had the following investments and maturities:

	Fair Value	Maturity (Years)			
		Less Than 1	1-2	2-4	Over 4 Years
Corporate Note	\$ 26,978,357	\$ 0	\$17,923,907	\$ 9,054,450	\$ 0
Federal Farm Credit Bank	22,404,612	0	12,900,065	9,504,547	0
Federal Home Loan Bank	66,717,403	37,092,057	13,011,586	16,613,760	0
Federal Home Loan Mortgage Corp.	45,629,507	22,466,917	4,523,865	17,689,686	949,039
Federal National Mortgage Assn.	49,155,329	10,927,840	17,327,884	20,899,605	0
Mortgage Back Securities	1,880,059	1,880,059	0	0	0
U.S. Treasury Bonds/Notes	29,321,508	5,278,805	14,730,185	9,312,518	0
State Board of Administration	305,958,132	305,958,132	0	0	0
Guaranteed Investment Contract	60,768,632	0	0	60,768,632	0
Total	\$608,813,539	\$383,603,810	\$80,417,492	\$143,843,198	\$949,039

Of the amount invested with the State Board of Administration \$20,255,996 is restricted for the purpose of compliance with Department of Environmental Protection Closure/Long-Term Care Escrow Agreement. These funds are to be used for the sole purpose of closure and long term care of the County's two landfills.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

The carrying amount of the discretely presented component units' deposits with financial institutions was \$1,754,261 and the bank balance was \$1,770,759, which is insured by FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes. Cash in the amount of \$13,048,675, which represents both book and fair value, is invested with the State Board of Administration.

6. Receivables - The accounts receivable for the governmental activities of \$13,693,927 are net of allowances for doubtful accounts of \$5,559,995. Charges for services are net of mandatory contractual adjustments in the amount of \$4,035,397 for Medicare/Medicaid and Champus. Having billed these organizations, the County is federally mandated to accept their allowable charges for services rendered. The accounts receivable for the business-type activities of \$845,943 are net of allowances for doubtful accounts of \$125,717.

7. Capital Assets

Capital assets activity for the year ended September 30, 2007, was as follows:

Primary Government	Oct. 1, 2006	Increases	Decreases	Sept. 30, 2007
Governmental Activities:				
Capital assets not depreciated:				
Land	\$156,553,882	\$ 15,068,293	\$ 1,069,583	\$170,552,592
Construction in progress	84,055,569	48,344,810	54,681,648	77,718,731
Total assets not depreciated	<u>\$240,609,451</u>	<u>\$ 63,413,103</u>	<u>\$55,751,231</u>	<u>\$248,271,323</u>
Capital assets depreciated:				
Buildings and structures	\$164,777,296	\$ 24,012,206	\$ 362,091	\$188,427,411
Infrastructure	83,844,818	25,720,155	0	109,564,973
Improvements to land	19,047,141	5,351,385	0	24,398,526
Improvements other than buildings	15,815,773	315,193	0	16,130,966
Operating machinery and equipment	121,564,887	18,930,530	9,219,113	131,276,304
Total assets depreciated	<u>\$405,049,915</u>	<u>\$ 74,329,469</u>	<u>\$ 9,581,204</u>	<u>\$469,798,180</u>
Less accumulated depreciation:				
Buildings and structures	\$ 35,005,978	\$ 4,553,118	\$ 85,934	\$ 39,473,162
Infrastructure	26,843,794	2,635,474	0	29,479,268
Improvements to land	4,587,842	1,104,788	0	5,692,630
Improvements other than buildings	6,776,636	1,058,010	0	7,834,646
Operating machinery and equipment	74,652,828	12,672,385	8,394,508	78,930,705
Total accumulated depreciation	<u>\$147,867,078</u>	<u>\$ 22,023,775</u>	<u>\$ 8,480,442</u>	<u>\$161,410,411</u>
Total depreciable capital assets, net	<u>\$257,182,837</u>	<u>\$ 52,305,694</u>	<u>\$ 1,100,762</u>	<u>\$308,387,769</u>
Total governmental activities capital assets, net	<u>\$497,792,288</u>	<u>\$115,718,797</u>	<u>\$56,851,993</u>	<u>\$556,659,092</u>
Business-type Activities:				
Capital assets not depreciated:				
Land	\$ 37,991,904	\$ 0	\$ 207,040	\$ 37,784,864
Construction in progress	11,836,429	8,725,265	8,505,243	12,056,451
Total assets not depreciated	<u>\$ 49,828,333</u>	<u>\$ 8,725,265</u>	<u>\$8,712,283</u>	<u>\$ 49,841,315</u>
Capital assets depreciated:				
Buildings and structures	\$ 50,457,316	\$ 800,044	\$ 0	\$ 51,257,360
Infrastructure	6,919,072	2,892,459	0	9,811,531
Improvements to land	8,460,111	401,376	9,657	8,851,830
Improvements other than buildings	238,243,724	11,722,976	0	249,966,700
Machinery and equipment	40,812,549	4,999,998	4,133,173	41,679,374
Total assets depreciated	<u>\$344,892,772</u>	<u>\$20,816,853</u>	<u>\$4,142,830</u>	<u>\$361,566,795</u>
Less accumulated depreciation:				
Buildings and structures	\$ 12,841,234	\$ 1,345,356	\$ 0	\$ 14,186,590
Infrastructure	163,686	249,094	0	412,780
Improvements to land	4,539,396	328,986	0	4,868,382
Improvements other than buildings	120,807,743	8,453,945	0	129,261,688
Machinery and equipment	25,099,627	4,054,163	3,571,913	25,581,877
Total accumulated depreciation	<u>\$163,451,686</u>	<u>\$14,431,544</u>	<u>\$3,571,913</u>	<u>\$174,311,317</u>
Total depreciable capital assets, net	<u>\$181,441,086</u>	<u>\$ 6,385,309</u>	<u>\$ 570,917</u>	<u>\$187,255,478</u>
Total business-type activities capital assets, net	<u>\$231,269,419</u>	<u>\$15,110,574</u>	<u>\$9,283,200</u>	<u>\$237,096,793</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities:

General government	\$ 4,044,500
Public safety	6,099,296
Physical environment	479,534
Transportation	4,293,625
Economic environment	47,203
Human services	891,837
Culture and recreation	5,293,925
Internal service funds	608,832
Total	<u>\$21,758,752</u>

The increase in accumulated depreciation for governmental activities of \$22,023,775 differs from depreciation expense of \$21,758,752 because of accumulated depreciation in the amount of \$265,023 associated with assets transferred from business-type activities.

Business-type Activities:

Solid Waste Management Department	\$ 3,639,830
Water Resources Department	7,941,714
Barefoot Bay Water & Sewer District	821,075
Space Coast Area Transit	1,582,438
Brevard County Golf Courses	446,487
Total	<u>\$14,431,544</u>

Component Units

Capital assets activity for component units is as follows:

Melbourne-Tillman Water Control District

	Oct. 1, 2006	Increases	Decreases	Sept. 30, 2007
Capital assets not depreciated:				
Land	\$ 277,821	\$ 0	\$ 0	\$ 277,821
Capital assets depreciated:				
Buildings and structures	\$ 373,789	\$ 0	\$ 0	\$ 373,789
Improvements to land	8,229,276	0	0	8,229,276
Machinery and equipment	1,870,132	270,992	117,803	2,023,321
Total assets depreciated	<u>\$10,473,197</u>	<u>\$ 270,992</u>	<u>\$ 117,803</u>	<u>\$10,626,386</u>
Less accumulated depreciation:				
Buildings and structures	\$ 195,889	\$ 13,746	\$ 0	\$ 209,635
Improvements to land	5,906,321	409,355	0	6,315,676
Machinery and equipment	1,384,474	198,424	117,803	1,465,095
Total accumulated depreciation	<u>\$ 7,486,684</u>	<u>\$ 621,525</u>	<u>\$ 117,803</u>	<u>\$ 7,990,406</u>
Total depreciable capital assets, net	<u>\$ 2,986,513</u>	<u>\$ (350,533)</u>	<u>\$ 0</u>	<u>\$ 2,635,980</u>
Total capital assets, net	<u>\$ 3,264,334</u>	<u>\$ (350,533)</u>	<u>\$ 0</u>	<u>\$ 2,913,801</u>

Titusville-Cocoa Airport Authority

	Oct. 1, 2006	Increases	Decreases	Sept. 30, 2007
Capital assets not depreciated:				
Land	\$12,239,662	\$ 25,350	\$ 0	\$12,265,012
Construction in progress	3,311,175	1,579,687	3,290,527	1,600,335
Improvements to land	339,254	0	0	339,254
Total assets not depreciated	<u>\$15,890,091</u>	<u>\$1,605,037</u>	<u>\$3,290,527</u>	<u>\$14,204,601</u>
Capital assets depreciated:				
Buildings and structures	\$12,195,823	\$ 582,180	\$ 0	\$12,778,003
Improvements other than buildings	21,308,163	879,719	0	22,187,882
Operating machinery and equipment	2,983,399	25,120	21,501	2,987,018
Total assets depreciated	<u>\$36,487,385</u>	<u>\$1,487,019</u>	<u>\$ 21,501</u>	<u>\$37,952,903</u>
Less accumulated depreciation:				
Buildings and structures	\$ 5,479,128	\$ 323,484	\$ 0	\$ 5,802,612
Improvements other than buildings	9,183,421	624,502	0	9,807,923
Operating machinery and equipment	1,626,605	204,569	0	1,831,174
Total accumulated depreciation	<u>\$16,289,154</u>	<u>\$1,152,555</u>	<u>\$ 0</u>	<u>\$17,441,709</u>
Total depreciable capital assets, net	<u>\$20,198,231</u>	<u>\$ 334,464</u>	<u>\$ 21,501</u>	<u>\$20,511,194</u>
Total capital assets, net	<u>\$36,088,322</u>	<u>\$1,939,501</u>	<u>\$3,312,028</u>	<u>\$34,715,795</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

8. Construction and Other Significant Commitments - At September 30, 2007, the County had several uncompleted construction contracts and other contractual commitments as follows:

<u>Project Title</u>	<u>Remaining committed</u>
General Government	\$ 4,485,641
Environmentally Endangered Lands	1,441,652
Parks and Recreation	582,287
Emergency services	91,402
Road projects	5,936,765
Solid Waste Management Department	838,045
Space Coast Area Transit	133,914
Surface Water Improvement Division	428,127
Water Resources Department	6,441,614
Total	<u>\$20,379,447</u>

9. Interfund Receivable and Payable Balances at September 30, 2007 - The composition of interfund balances as of September 30, 2007, is as follows:

<u>Receivable Fund:</u>	<u>Payable Fund:</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$2,385,286
Emergency Services	General Fund	80,175
Nonmajor Governmental Funds	General Fund	502,287
	Nonmajor Governmental Funds	130,381
Solid Waste Management Department	General Fund	41,732
Water Resources Department	General Fund	83,469
Total Interfund Receivables and Payables		<u>\$3,223,330</u>

These balances resulted from the time lag between the dates that interfund goods and services were provided and payments between funds were made.

10. Advances To and From Other Funds - The General Fund advance from other funds represents a loan from the Solid Waste Management (\$483,180), Water Resources (\$966,388) and Surface Water Improvement (\$482,998) funds for construction of an administrative office building; the \$1,932,566 balance is not scheduled to be paid in fiscal year 2008. The Grants fund advance from other funds represents a loan from the General Fund (\$170,000) to pay costs of the Metropolitan Planning Organization and will be reimbursed by Federal grants. The Education Impact Fee advance from other funds (\$401,493) represents a loan from the General Fund to construct a charter school; the loan will be repaid as impact fees are collected from residential development within the benefiting area. The Barefoot Bay Water & Sewer District advance from other funds includes a loan from the Water Resources Department (\$1,200,150) for the acquisition and interconnection cost of the Snug Harbor Utility System.
11. Committed Funds - The County executed an agreement to accept the donation of land and public safety facilities in return for reimbursing funds to the developer generated from impact fees. The impact fees are assessed on development within the jurisdiction to accommodate the demand for new public facilities. Although not obligated, the County reasonably expects to continue assessing the impact fees. Total cost for the public safety facilities was \$1,124,555. The anticipated future payments are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2008	\$ 89,000
2009	89,000
After 2009	19,095
Total anticipated future payments	<u>\$197,095</u>

12. Solid Waste Landfill Closure and Postclosure Care Costs - The County owns and operates the Sarno Road Class III landfill and the Central Disposal Facility landfill. Federal and State laws require the County to close the landfills once their capacity is reached, and to monitor and maintain the sites for thirty subsequent years. The County recognizes a portion of the closure and postclosure care costs in each operating period even though actual disbursements will not occur until the landfills are closed. The amount recognized each year to date is based on

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

the landfill's capacity used as of the balance sheet date. The estimated costs of closure and postclosure care are subject to changes, such as the effects of inflation, revision of laws, and other variables. For the year ending September 30, 2007, the estimated costs of closure and postclosure care for the landfills increased by \$3,879,251. The following information is for the year ending September 30, 2007:

	<u>Landfill capacity</u>	<u>Landfill capacity used</u>	<u>Reported liability</u>	<u>Estimated remaining liability</u>	<u>Remaining life (years)</u>
Sarno Road	6,456,791 cu/yds	85%	\$10,411,286	\$1,775,051	3
Central Disposal	24,857,627 cu/yds	77%	\$10,490,018	\$7,072,171	6

By state law, the County is required to accumulate assets needed for the actual payout of the closure and postclosure care costs prior to the closing of a landfill. Assets of \$20,255,996 have been restricted for this purpose within the Solid Waste Management Department Fund.

13. Leases

- A. Brevard County issued \$1,342,000 par value revenue bonds dated November 30, 1984, to finance acquisition, construction, and improvements of mental health facilities for Circles of Care, Inc., formerly Brevard County Mental Health Centers and Hospital, Inc., and issued \$1,730,000 par value refunding revenue bonds dated May 1, 1994, to refund the \$2,000,000 par value revenue bonds dated January 1, 1980, under a lease agreement dated January 1, 1980, as supplemented by the lease agreement dated May 1, 1994.

The terms of the agreements require Circles of Care, Inc. to pay the County rent in an amount sufficient to meet the annual debt service requirements for the debt associated with the acquisition and construction of the facility. Upon payment to the County of rent in an amount equal to the amount required to retire all outstanding debt associated with the acquisition and construction of the facility, Circles of Care, Inc. shall have the option to purchase the facility for one dollar. Accordingly, the County has accounted for the lease as a direct financing lease in the Mental Health Revenue and Subordinate Revenue Bonds Debt Service Fund.

The computation of the net minimum lease payments for these direct financing leases is as follows:

Total minimum lease payments receivable	\$469,247 (1)
Less amount representing interest	<u>39,247</u>
Net minimum lease payments receivable	<u>\$430,000 (2)</u>

- (1) The total minimum lease payments receivable does not include the effect of future interest earnings of the bond's sinking and reserve funds maintained by the County. The earnings serve to reduce the amount of the lease payments required to be made by Circles of Care, Inc.
- (2) The net minimum lease payments receivable of \$430,000 has been recorded in the Debt Service Fund as capital lease receivable and is not considered currently available for debt service. This receivable has been offset by an equal amount recorded as deferred revenue.

The following is a schedule, by years, of future minimum lease payments due from Circles of Care, Inc., as of September 30, 2007:

<u>Year Ended September 30</u>	<u>Amount</u>
2008	\$156,470
2009	158,277
2010	<u>154,500</u>
Total	<u>\$469,247</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

- B. The County has entered into numerous capital lease arrangements for the purpose of lease purchasing operating and office equipment. The County also has financed the acquisition of certain golf carts for its Brevard County Golf Courses Fund by means of a lease. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments. The future minimum lease payments at September 30, 2007, are as follows:

<u>Year Ended September 30</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2008	\$348,599	\$144,667
2009	284,581	125,700
2010	91,963	48,935
2011	86,748	0
2012	10,225	0
Total minimum lease payments	\$822,116	\$319,302
Less amount representing interest	60,884	16,486
Present value of minimum lease payments	<u>\$761,232</u>	<u>\$302,816</u>

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Machinery and equipment	<u>\$1,412,158</u>	<u>\$576,823</u>
Accumulated depreciation	<u>\$ 225,366</u>	<u>\$126,895</u>

- C. The County leases office facilities, equipment, service and maintenance, office equipment, and vehicles, under noncancelable operating leases and operating leases. Total costs for noncancelable operating leases and operating leases were \$609,162, and \$1,206,567, respectively, for the year ended September 30, 2007. The future minimum lease payments for noncancelable operating leases are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2008	\$ 584,363
2009	357,537
2010	191,651
2011	150,166
2012	155,288
2013-2017	269,208
Total minimum lease payable	<u>\$1,708,213</u>

Component Units

- A. The Melbourne - Tillman Water Control District leases various equipment under noncancelable operating leases expiring in 2008.

Minimum future rental payments under the operating lease as of September 30, 2007, are:

<u>Year Ended September 30</u>	<u>Amount</u>
2008	<u>\$11,538</u>

14. Bonded and Other Indebtedness

A. Business-type Activities

\$9,960,000 2002 Solid Waste Management System Revenue Refunding Bonds - due in annual installments of \$1,155,000 to \$2,890,000 through April 1, 2010; interest at 3.00% to 3.80%; issued to finance cost of refunding 1993 Solid Waste Management System Revenue Bonds; payable from gross revenues of the system. \$ 6,825,000

\$55,155,000 2002 Utility Revenue Refunding Bonds - due in annual installments of \$5,550,000 to \$7,545,000 through March 1, 2014; interest at 5.25%; issued to finance the cost of refunding the Utility Revenue Bonds, Series 1993; payable from gross revenues of the Water Resources System. 45,515,000

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

\$4,880,000 1999 Guaranteed Entitlement Revenue Refunding Bonds - due in annual installments of \$250,000 to \$390,000 through June 1, 2018; interest at 4.15% to 4.875%; issued to refund the outstanding 1991 Special Obligation Refunding Revenue Bonds and pay the cost of certain capital improvements within the County; revenue pledged is the guaranteed entitlement portion of the state revenue sharing trust funds and a portion of the second guaranteed entitlement state shared revenues.

3,470,000

\$17,135,000 2000 Utility Bonds (Barefoot Bay Utility System) – serial bonds due in annual installments of \$365,000 to \$435,000 through October 1, 2011; interest at 4.10% to 4.50%; term bonds maturing October 1, 2018, are subject to mandatory redemption in amounts of \$455,000 to \$615,000 from October 1, 2012, to October 1, 2018, with interest at 5.25%; term bonds maturing October 1, 2029, are subject to mandatory redemption in amounts of \$650,000 to \$1,055,000 from October 1, 2019, to October 1, 2029, with interest at 5.00%; issued to finance the acquisition of a utility system and certain other property; payable from gross revenues of the system.

14,915,000

B. Governmental Activities

\$10,670,000 1996 Limited Ad Valorem Revenue Refunding and Improvement Bonds - due in annual installments of \$1,085,000 to \$1,250,000 through September 1, 2011; interest at 5.10% to 5.375%; issued to partially refund the 1991 Limited Ad Valorem Revenue Bonds and to acquire and preserve endangered lands; payable from ad valorem tax revenues.

4,660,000

\$8,840,000 2002 Limited Ad Valorem Tax Refunding Bonds – due in annual installments of \$1,100,000 to \$1,245,000 through September 1, 2011; interest at 3.50% to 4.10%; issued to refund all or a portion of the outstanding 1993 Limited Ad Valorem Tax Bonds maturing after September 1, 2003; payable from ad valorem tax revenues.

4,685,000

\$15,670,000 2004 Limited Ad Valorem Tax Bonds – due in annual installments of \$2,470,000 to \$2,700,000 through September 1, 2011; interest at 2.75% to 3.00%; issued to fund the acquisition and improvement of environmentally endangered lands; payable from ad valorem tax revenues.

10,325,000

\$45,000,000 2005 Limited Ad Valorem Tax Bonds – due in annual installments of \$1,805,000 to \$3,315,000 through September 1, 2024, interest at 3.00% to 5.00%; issued to fund the acquisition and improvement of environmentally endangered lands and water areas; payable from ad valorem tax revenues.

41,550,000

\$15,100,000 2001 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds – serial bonds due in annual installments of \$620,000 to \$1,040,000 through July 1, 2019; interest at 4.25% to 5.00%; term bonds maturing July 1, 2021 are subject to mandatory redemption in the amounts of \$1,090,000 to \$1,145,000 from July 1, 2020 to final maturity; interest at 5.00%; issued to finance the acquisition, development, and improvement of certain parks and recreational facilities within the geographical boundary of North Brevard; payable from ad valorem tax revenues.

11,925,000

\$11,300,000 2007 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$400,000 to \$775,000 through July 1, 2024; interest at 3.625% to 5.625%; term bonds maturing July 1, 2026 are subject to mandatory redemption in the amounts of \$810,000 and \$845,000 from July 1, 2025 to final maturity; interest at 4.375%; issued to finance the acquisition, development and improvement of certain parks and recreational facilities within the geographical boundary of North Brevard; payable from ad valorem tax revenues.

11,300,000

\$45,000,000 2001 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - due in annual installments of \$1,870,000 to \$3,370,000 through July 1, 2021; interest at 4.00% to 5.00%; issued to finance the acquisition,

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

development, and improvement of certain parks and recreational facilities within the geographical boundary of South Brevard; payable from ad valorem tax revenues.	35,330,000
\$57,565,000 2007 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$1,945,000 to \$4,435,000 through July 1, 2026; interest at 4.00% to 5.00%; issued to finance the acquisition, development and improvement of certain parks and recreational facilities within the geographical boundary of South Brevard; payable from ad valorem tax revenues.	57,565,000
\$13,000,000 2001 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$540,000 to \$885,000 through July 1, 2019; interest at 4.00% to 5.00%; term bonds maturing July 1, 2021, are subject to mandatory redemption in amounts of \$925,000 to \$975,000 from July 1, 2020, to final maturity; interest at 5.00%; issued to finance the acquisition, development, and improvement of certain parks and recreational facilities within the Merritt Island Recreation Municipal Service Taxing Unit; payable from ad valorem tax revenues.	10,210,000
\$13,110,000 2007 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$440,000 to \$990,000 through July 1, 2026; interest at 4.00% to 5.00%; issued to finance the acquisition, development and improvement of certain parks and recreational facilities within the Merritt Island Recreation Municipal Service Taxing Unit; payable from ad valorem tax revenues.	13,110,000
\$1,700,000 1994A Brevard County Mental Health Facilities Refunding Revenue Bonds - due in annual installments of \$135,000 to \$150,000 through January 1, 2010; interest at 5.80% to 6.00%; issued to finance the cost of refunding all outstanding Brevard County Mental Health Facilities Revenue Bonds, Series 1980; payable from the revenues of the lease between the County and Circles of Care, Inc. The lease payments are derived from fees and charges for services.	430,000
\$4,865,000 1996 Second Guaranteed Entitlement Revenue Bonds - due in annual installments of \$250,000 to \$375,000 through November 1, 2015; interest at 5.10% to 5.50%; issued to finance the acquisition and construction of recreational facilities in the Port St. John/Canaveral Groves Municipal Service Taxing Unit within the County; revenue pledged is second guaranteed entitlement portion of the state revenue sharing trust funds; however, debt service is to be paid from ad valorem tax revenues.	2,770,000
\$20,105,000 1997 Sales Tax Refunding Revenue Bonds - due in annual installments of \$90,000 to \$1,975,000 through December 1, 2011; interest of 4.50% to 4.75%; issued to purchase the formerly leased Brevard County Government Center by defeasing the 1989 Certificate of Participation; payable from the half-cent sales tax distributed to the County.	7,480,000
\$39,150,000 2001 Sales Tax Refunding and Improvement Revenue Bonds - serial bonds due in annual installments of \$935,000 to \$2,785,000 through December 1, 2018; interest at 3.50% to 5.25%; term bonds maturing December 1, 2020, through December 1, 2026, are subject to mandatory redemption in varying amounts from December 1, 2019, to December 1, 2026, with interest at 4.875% to 5.00%; issued to refund the outstanding Sales Tax Refunding Revenue Bonds, Series 1991, maturing on and after December 1, 2002, refund the outstanding Sales Tax Revenue Bonds, Series 1994, maturing on and after December 1, 2005, refund certain portions of the County's outstanding obligations under a Loan Agreement with the Florida Local Government Finance Commission, and finance the acquisition of certain capital projects within the County; revenue pledged is half-cent sales tax revenue; \$3,774,338 of the outstanding principal and any associated interest will be paid from revenues from the operation of the County's golf courses.	29,160,000

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

<p>\$16,370,000 2003 Sales Tax Refunding and Improvement Revenue Bonds – serial bonds due in annual installments of \$1,335,000 to \$1,565,000 through December 1, 2013; interest rate 2.75% to 4.10%; term bonds maturing December 1, 2014, and thereafter are due in installments of \$215,000 to \$305,000; interest rate 4.10% to 4.75%; bonds maturing on December 1, 2013, and thereafter are subject to mandatory early redemption; issued to advance refund the outstanding Sales Tax Revenue Bonds, Series 1993 maturing on and after December 1, 2004; to repay a portion of the outstanding Florida Local Government Finance Commission Pooled Commercial Paper Notes, and to finance various capital projects of the County; payable from the half-cent sales tax distributed to the County.</p>	12,545,000
<p>\$14,000,000 2005 Sales Tax Revenue Bonds – serial bonds due in annual installments of \$300,000 to \$1,005,000 through December 1, 2023; interest at 3.00% to 4.25%; term bonds maturing on December 1, 2025, are subject to mandatory redemption prior to maturity in the amounts of \$1,045,000 and \$1,090,000 from December 1, 2024, to December 1, 2025, with interest at 4.25%; issued to finance the cost of certain capital projects within the County; payable from the half-cent sales tax distributed to the County.</p>	14,000,000
<p>\$7,070,000 2001 Fourth Cent Tourist Development Tax Revenue Refunding Bonds - serial bonds due in annual installments of \$605,000 to \$745,000 through March 1, 2013, interest at 4.00% to 4.50%; issued to refund the Fourth Cent Tourist Development Tax Revenue Bonds, Series 1993; payable from tourist tax revenues.</p>	4,025,000
<p>\$39,735,000 2000 Constitutional Fuel Tax Revenue Bonds – serial bonds due in annual installments of \$1,625,000 to \$1,790,000 through August 1, 2010; interest at 5.00% to 6.00%; issued to finance the cost of acquiring and constructing certain road and bridge improvements; payable from constitutional fuel tax revenues.</p>	5,120,000
<p>\$25,525,000 2005 Constitutional Fuel Tax Revenue Refunding Bonds – due in annual installments of \$115,000 to \$2,990,000 through August 1, 2020; interest at 3.00% to 5.00%; issued to advance refund the outstanding Constitutional Fuel Tax Revenue Bonds, Series 2000 maturing on and after August 1, 2011; payable from constitutional fuel tax revenue.</p>	25,300,000
<p>\$48,435,000 2007 Local Option Fuel Tax Revenue Bonds - term bonds maturing August 1, 2029, are subject to mandatory redemption in the amounts of \$3,410,000 to \$3,760,000 from August 1, 2027, to final maturity; interest at 5.00%; term bonds maturing August 1, 2032, are subject to mandatory redemption in the amounts of \$3,945,000 to \$4,350,000 from August 1, 2030, to final maturity; interest at 5.00%; term bonds maturing August 1, 2037, are subject to mandatory redemption in the amounts of \$4,570,000 to \$5,555,000 from August 1, 2033, to final maturity; interest at 5.00%; payable from local option fuel tax revenues.</p>	48,435,000
<p>\$48,535,000 2005 Local Option Fuel Tax Revenue Bonds – due in annual installments of \$1,590,000 to \$3,450,000 through August 1, 2026; interest at 3.25% to 5.00%; issued to finance the cost of certain transportation projects within the County; payable from local option fuel tax revenues.</p>	44,845,000
<p>\$15,791,000 Commercial Paper - issued as part of the Florida Local Government Finance Commission Pooled Commercial Paper Notes program; outstanding balance due at various dates; interest, which is variable was 4.43% on September 30, 2007; this variable rate is based on the underlying commercial paper that is purchased, during the fiscal year the interest rate ranged from 4.12% to 4.43%; issued to fund construction of T-hangars at the Valkaria Airport, construction of special assessment projects and a fire station, finance renovations and modifications to existing County property, finance the dredging of certain channels and canals, acquisition of computer equipment, purchase various capital equipment, and finance the acquisition of capital upgrade and replace the County's telecommunication system; payable from the County's general revenues, transportation receipts, and prior lien upon certain special assessments.</p>	10,500,000

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

\$280,000 Commercial Paper - issued as part of the Florida Local Government Finance Commission Pooled Commercial Paper Notes program; outstanding balance due December 4, 2007; interest, which is variable, was 4.43% on September 30, 2007; this variable rate is based on the underlying commercial paper that is purchased, during the fiscal year the interest rate ranged from 4.12% to 4.43%; issued to provide partial funding for the purchase of the County's new financial system hardware; payable from the internal service revenues of Information Systems.

56,000

C. Component Units

\$2,450,000 Titusville-Cocoa Airport Authority Note – payable in equal monthly installments over 15 years; interest at 4.37%; issued to refinance its portion of the Florida Local Government Finance Commission Pooled Commercial Paper Note and to finance capital improvement projects; payable from gross revenues of the Authority.

1,932,939

\$118,293 Titusville-Cocoa Airport Authority Note – payable in equal monthly installments over 15 years; interest at 2.50%; issued as part of a land swap transaction; payable from gross revenues of the Authority.

88,541

D. Summary of Bonded and Other Indebtedness

The long-term liability activity for the year ended September 30, 2007, was as follows:

	Oct. 1, 2006	Increase	Decrease	Sept. 30, 2007	Due within one year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$127,855,000	\$ 81,975,000	\$ 9,170,000	\$200,660,000	\$12,275,000
Revenue bonds	151,009,512	48,435,000	9,108,850	190,335,662	9,750,454
Less deferred amounts:					
Discounts	333,262	0	55,413	277,849	
Premiums	(2,911,555)	(4,128,643)	(657,730)	(6,382,468)	
Refunding	4,488,591	0	681,165	3,807,426	
Total bonds payable	\$276,954,214	\$134,538,643	\$18,200,002	\$393,292,855	
Capital lease commitments	676,065	414,750	329,583	761,232	317,050
Notes payable	15,380,000	3,467,000	8,291,000	10,556,000	2,587,000
Accrued compensated absences	25,497,381	3,649,936	2,593,245	26,554,072	2,419,399
Claims and judgments	13,748,422	45,485,046	44,048,192	15,185,276	10,443,450
Governmental activities long-term liabilities	<u>\$332,256,082</u>	<u>\$187,555,375</u>	<u>\$73,462,022</u>	<u>\$446,349,435</u>	
Claims and judgments beginning balance adjusted to reflect medical payments.					
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 83,380,488	\$ 0	\$ 8,881,150	\$ 74,499,338	9,429,546
Less deferred amounts:					
Discounts	114,045	0	24,000	90,045	
Premiums	(2,729,783)	0	(645,437)	(2,084,346)	
Refunding	1,568,471	0	458,926	1,109,545	
Total bonds payable	\$ 84,427,755	\$ 0	\$ 9,043,661	\$ 75,384,094	
Capital lease commitments	430,717	0	127,901	302,816	133,777
Landfill closure and postclosure care	17,022,053	3,879,251	0	20,901,304	
Accrued compensated absences	1,936,685	99,624	76,788	1,959,521	124,135
Business-type activities long-term liabilities	<u>\$103,817,210</u>	<u>\$ 3,978,875</u>	<u>\$ 9,248,350</u>	<u>\$ 98,547,735</u>	
Component units:					
Capital lease commitments	\$ 41,929	\$ 0	\$ 41,929	\$ 0	
Notes payable	2,163,905	0	142,425	2,021,480	148,673
Accrued compensated absences	216,899	21,746	0	238,645	238,645
Component units long-term liabilities	<u>\$ 2,422,733</u>	<u>\$ 21,746</u>	<u>\$ 184,354</u>	<u>\$ 2,260,125</u>	

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, claims and judgments, and accrued compensated absences are generally liquidated by each individual governmental fund.

E. Total Annual Debt Service Requirements

Accrued compensated absences, claims and judgments, and landfill closure and postclosure care are excluded from this tabulation. See section D. Summary of Bonded and Other Indebtedness for additional information.

The annual requirements to amortize all debt outstanding at September 30, 2007, are as follows:

Governmental activities							
Year Ending September 30	General Obligation Bonds		Revenue Bonds		Notes and Leases		
	Principal	Interest	Principal	Interest	Principal	Interest	
2008	\$ 12,275,000	\$ 8,910,251	\$ 9,750,454	\$ 8,559,449	\$ 2,904,050	\$ 411,152	
2009	12,740,000	8,436,343	10,129,103	8,171,689	688,541	361,250	
2010	13,265,000	7,916,914	10,557,181	7,744,678	767,096	320,749	
2011	13,800,000	7,381,752	10,650,380	7,306,633	3,161,374	199,179	
2012	8,950,000	6,834,013	9,150,137	6,867,372	3,796,171	31,269	
2013-2017	51,230,000	27,703,449	40,413,217	28,484,078	0	0	
2018-2022	58,490,000	14,699,768	30,770,190	20,566,605	0	0	
2023-2027	29,910,000	3,304,998	23,890,000	14,469,007	0	0	
thereafter	0	0	45,025,000	13,284,500	0	0	
Total	\$200,660,000	\$85,187,488	\$190,335,662	\$115,454,011	\$11,317,232	\$1,323,599	

Business-type activities							
Year Ending September 30	Revenue Bonds		Leases		Notes and Leases		
	Principal	Interest	Principal	Interest	Principal	Interest	
2008	\$ 9,429,546	\$ 3,536,219	\$133,777	\$10,890	\$ 148,673	\$ 83,764	
2009	9,875,897	3,099,166	120,849	4,851	155,161	77,276	
2010	8,497,819	2,632,399	48,190	745	161,933	70,504	
2011	7,514,620	2,210,456	0	0	169,005	63,432	
2012	7,899,863	1,816,085	0	0	176,387	56,050	
2013-2017	20,301,783	3,722,746	0	0	1,004,579	157,606	
2018-2022	3,819,810	2,242,734	0	0	205,742	4,343	
2023-2027	4,145,000	1,291,875	0	0	0	0	
thereafter	3,015,000	231,125	0	0	0	0	
Total	\$74,499,338	\$20,782,805	\$302,816	\$16,486	\$2,021,480	\$512,975	

15. Current and Advance Refunding of Debt

- A. During the fiscal year ended September 30, 1978, the County completed a full cash advance refunding of all outstanding Water Resources Utility Revenue Bonds, Series 1973, Series 1973A, and Series 1975, to effect an overall reduction in debt service and to revise certain terms and covenants made under the outstanding bonds. The advance refunding was financed from the issuance of \$11,665,000 Refunding Revenue Bonds, Series 1978, and the simultaneous issuance of \$17,725,000 Special Obligation Bonds, Series 1978A. The net proceeds from the bonds were deposited in an irrevocable escrow account and invested in federal securities at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded 1973, 1973A, and 1975 bonds were defeased, and the County's obligation on the refunded debt was satisfied. The Special Obligation Bonds, Series 1978A, which are not presented in the accompanying balance sheet, are secured by, and payable from, the federal securities and interest income earned on the federal securities held in escrow and do not constitute an obligation of the County. Total outstanding principal of the Series 1973 and Series 1973A bonds at September 30, 2007, were \$1,760,000 and \$855,000, respectively. Total outstanding principal of the Series 1978A bonds was \$475,000. The Series 1975 bonds were fully retired during fiscal year 2006.
- B. During the fiscal year ended September 30, 1984, the County completed a net cash advance refunding of all outstanding Solid Waste Disposal System Refunding Revenue Bonds, Series 1977 and the Solid Waste Disposal System Capital Improvement Note, Series 1984 to effect an overall

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

reduction in debt service and to revise certain terms and bond covenants made under the 1977 bonds. The advance refunding was financed from the issuance of the Solid Waste Disposal System Refunding Revenue Bonds, Series 1984. The net proceeds from the bonds were placed in an irrevocable escrow account and invested in federal securities sufficient for payment of principal and interest due on the refunded 1977 bonds and the 1984 Capital Improvement Note. As a result, the respective liens of the refunded 1977 bonds and the 1984 Capital Improvement Note were defeased, and the County's obligation on the refunded debt was satisfied. The Capital Improvement Note, Series 1984 and the Series 1977 bonds were fully retired during fiscal year 1988 and 2007, respectively.

- C. During the fiscal year ended September 30, 1985, the County completed a net cash advance refunding of outstanding Water Resources Utility Revenue Bonds, Series 1978 and Series 1983, to effect an overall reduction in debt service and to revise certain terms and covenants made under the outstanding bonds. The advance refunding was financed from the issuance of \$17,295,000 Refunding Subordinate Revenue Bonds, Series 1984, refunded by Subordinate Utility Revenue Bonds, Series 1988. The net proceeds from the bonds were deposited in an irrevocable escrow account and invested in federal securities at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded 1978 and 1983 bonds were defeased, and the County's obligation on the refunded debt was satisfied. Total outstanding principal of the Series 1978 and the Series 1983 bonds at September 30, 2007, was \$2,895,000 and \$5,080,000, respectively.
- D. During fiscal year ended September 30, 2005, the County completed a net cash advance refunding of all outstanding Constitutional Fuel Tax Revenue Bonds, Series 2000 maturing on or after August 1, 2011, to effect an overall reduction in debt service. The advance refunding was financed from the issuance of \$25,525,000 Constitutional Fuel Tax Refunding Bonds, Series 2005. The net proceeds were deposited into an irrevocable escrow account and invested at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded bonds were defeased and the County's obligation on the refunded debt was satisfied. Total outstanding principal of the Series 2000 bonds at September 30, 2007, was \$24,150,000.
16. Bond Coverage - The County is required by bond resolutions to fix, establish, and maintain such user rates that will always provide sufficient revenue for debt service, operations and maintenance, and all other reserve requirements pertinent to the bond issues within the affected Enterprise Funds. Where the bond resolutions provide for more than one bond coverage test, the covenants shown are the most restrictive.

The following tabulation indicates the degree of compliance with the bond resolution covenants in the Solid Waste Management Department and the Water Resources Department at September 30, 2007. These coverage tests compare debt coverage required with revenue available after covering operating and maintenance expenses.

	<u>Solid Waste Management Department</u>	<u>Water Resources Department</u>
Gross revenues available for compliance	\$29,756,691	\$25,699,571
Operating and maintenance expense (excluding depreciation expense)	<u>23,621,246</u>	<u>17,320,679</u> (1)
Amount of revenue over operating and maintenance expense	<u>\$ 6,135,445</u>	<u>\$ 8,378,892</u>
Debt coverage required	<u>\$ 3,341,723</u>	<u>\$ 7,801,538</u>
Percent coverage for the year ended September 30, 2007	<u>184%</u>	<u>107%</u>

- (1) Operating and maintenance expense excludes payment in lieu of taxes, and renewal and replacement expenses of \$836,271 and \$633,184, respectively.

17. Intergovernmental Component Units Assistance Programs

Florida Department of Transportation Reimbursable Grants - Capital projects at the Space Center Executive Airport are generally funded by a combination of grants from the Federal Aviation Administration (FAA), the Florida Department of Transportation (FDOT), and funds provided by the Titusville - Cocoa Airport Authority

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

(Authority). The FDOT generally may fund up to 50% of eligible project costs which are not funded by the FAA, except that the FDOT may initially fund up to 75% of certain project costs, and the FDOT shall be reimbursed to the 50% level when the FAA funds become available or within 10 years after project completion, whichever is earlier. In prior years, the Authority received three grants from the FDOT totaling \$993,800 of which \$256,266 exceeded the 50% limit. During fiscal year ended September 30, 2006, the 10 year time-frame expired on one of the projects. In accordance with the FDOT grant policy, since no FAA funds were received, the Authority is not required to pay back the excess funding and included \$187,071 in capital contributions - other governmental on the statement of revenues, expenses and changes in net assets. The Authority is reserving \$69,196 to repay FDOT in the event FAA funds are received for the two remaining projects. Excess funding of \$62,858 and \$6,338 are scheduled to expire in fiscal years ending September 30, 2008 and 2009, respectively.

18. Condensed Financial Statements - Discretely Presented Component Units

A. Statement of Net Assets

	North Brevard County Public Library District	Merritt Island Redevelopment Agency	Titusville- Cocoa Airport Authority
Assets:			
Other assets	\$ 6,362	\$3,917,302	\$ 3,574,096
Capital assets, net of accumulated depreciation	<u>0</u>	<u>0</u>	<u>34,715,795</u>
Total assets	<u>\$ 6,362</u>	<u>\$3,917,302</u>	<u>\$38,289,891</u>
Liabilities:			
Other current liabilities	\$ 0	\$ 186,720	\$ 581,173
Long-term liabilities	<u>0</u>	<u>0</u>	<u>2,195,438</u>
Total liabilities	<u>\$ 0</u>	<u>\$ 186,720</u>	<u>\$ 2,776,611</u>
Net assets:			
Invested in capital assets net of related debt	\$ 0	\$ 0	\$32,625,119
Unrestricted	<u>6,362</u>	<u>3,730,582</u>	<u>2,888,161</u>
Total net assets	<u>\$ 6,362</u>	<u>\$3,730,582</u>	<u>\$35,513,280</u>

	Melbourne- Tillman Water Control District	Housing Finance Authority	Total
Assets:			
Other assets	\$ 8,086,835	\$3,380,624	\$18,965,219
Capital assets, net of accumulated depreciation	<u>2,913,801</u>	<u>0</u>	<u>37,629,596</u>
Total assets	<u>\$11,000,636</u>	<u>\$3,380,624</u>	<u>\$56,594,815</u>
Liabilities:			
Other current liabilities	\$ 27,224	\$ 164,651	\$ 959,768
Long-term liabilities	<u>133,883</u>	<u>0</u>	<u>2,329,321</u>
Total liabilities	<u>\$ 161,107</u>	<u>\$ 164,651</u>	<u>\$ 3,289,089</u>
Net assets:			
Invested in capital assets net of related debt	\$ 2,913,801	\$ 0	\$35,538,920
Unrestricted	<u>7,925,728</u>	<u>3,215,973</u>	<u>17,766,806</u>
Total net assets	<u>\$10,839,529</u>	<u>\$3,215,973</u>	<u>\$53,305,726</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

B. Statement of Activities

	North Brevard County Public Library District	Merritt Island Redevelopment Agency	Titusville- Cocoa Airport Authority
Expenses:			
Total expenses	\$ 17,887	\$ 523,499	\$ 2,612,368
Program revenues:			
Charges for services	\$ 5,080	\$ 0	\$ 1,873,475
Capital grants and contributions	0	0	1,169,657
Total program revenues	\$ 5,080	\$ 0	\$ 3,043,132
Net program revenues	\$ (12,807)	\$ (523,499)	\$ 430,764
General revenues:			
Taxes	\$ 0	\$1,439,035	\$ 1,623
Other general revenues	0	201,107	160,305
Return of capital grant contributions	0	0	(1,350,375)
Total general revenues	\$ 0	\$1,640,142	\$ (1,188,447)
Change in net assets	\$ (12,807)	\$1,116,643	\$ (757,683)
Beginning net assets	19,169	2,613,939	36,270,963
Ending net assets	\$ 6,362	\$3,730,582	\$35,513,280

	Melbourne- Tillman Water Control District	Housing Finance Authority	Total
Expenses:			
Total expenses	\$ 2,648,452	\$ 122,987	\$ 5,925,193
Program revenues:			
Charges for services	\$ 1,649,471	\$ 411,777	\$ 3,939,803
Capital grants and contributions	0	0	1,169,657
Total program revenues	\$ 1,649,471	\$ 411,777	\$ 5,109,460
Net program revenues	\$ (998,981)	\$ 288,790	\$ (815,733)
Non operating revenues (expenses):			
Taxes	\$ 0	\$ 0	\$ 1,440,658
Other general revenues (expenses)	608,788	174,208	1,144,408
Return of capital grant contributions	0	0	(1,350,375)
Total general revenues	\$ 608,788	\$ 174,208	\$ 1,234,691
Change in net assets	\$ (390,193)	\$ 462,998	\$ 418,958
Beginning net assets	11,229,722	2,752,975	52,886,768
Ending net assets	\$10,839,529	\$3,215,973	\$53,305,726

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

19. **Risk Management** - The County is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has established a Risk Management fund (an Internal Service Fund) to account for and finance its uninsured risks of loss. Under the Risk Management fund program, the County retains exposure up to a maximum of \$300,000 for each worker's compensation claim, and \$100,000 for each general liability claim. For all risk property, the County retains exposure up to a maximum of \$100,000 per occurrence, all perils. For weather catastrophes, the County retains exposure of 5% of Total Insurable Values (TIV) with a minimum of \$500,000 per occurrence. For flood losses, the County retains exposure of 5% of TIV with a minimum of \$1,000,000 for any one occurrence in a special flood hazard area. For floods due to named storms, the exposure is 5% of TIV with a minimum of \$500,000; any other flood outside of special flood hazard area \$100,000. The County purchases commercial insurance for claims in excess of coverage provided by the fund. Settled claims have not exceeded this commercial coverage in any of the past three years.

The County has established a self-insured Employee Group Insurance Program to account for medical insurance claims of County employees and their covered dependents. Under this program, the fund provides the employee with a lifetime maximum benefit of \$1,000,000. The following retention (specific deductible) limits were put in effect on January 1, 2008: \$250,000 for specific claim, with an additional aggregating deductible of \$131,000 which can be met by one claimant or multiple claimants in excess of \$250,000. The County has contracted with various agencies to perform certain administrative functions, such as monitoring, reviewing and paying claims.

All County departments participate in the self insurance programs and make payments to the Risk Management fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of \$15,185,276 in the Risk Management fund, reported at September 30, 2007, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. Changes in the claims liability amounts in fiscal years 2006 and 2007 were:

	2006	2007
Beginning of fiscal year liability	\$ 15,164,779	\$13,748,422
Current year claims and changes in estimates	40,087,329	45,485,046
Claim payments	<u>(41,503,686)</u>	<u>(44,048,192)</u>
Balance at fiscal year end	<u>\$13,748,422</u>	<u>\$15,185,276</u>

The claims liability at September 30, 2007, has been calculated as follows:

Present value of estimated outstanding losses (estimated losses of \$17,818,220, discounted to reflect future investment earnings at 3.5%)	\$16,555,666
Unallocated loss adjustment expenses (calculated at 7.5% of outstanding losses, excluding medical insurance)	977,542
Estimated recoveries on settled claims	<u>(2,347,932)</u>
Claims liability at September 30, 2007	<u>\$15,185,276</u>

The beginning balances for fiscal years 2006 and 2007 have been restated by \$3,053,423 and \$1,637,729 respectively, to reflect the inclusion of accrued claims liability for the County's group health insurance plan.

20. **Deferred Compensation** - The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 that is administered by an agent of the National Association of Counties. The plan, available to all County 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 for an unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants.
21. **Contingent Liabilities** - There are a number of pending lawsuits in which the County is involved. Although the outcome is not readily determinable, resolution of these matters is not expected to have an adverse effect on the financial condition of the County.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

22. Interfund Transfers - Monies are transferred from one fund to support expenditures of another fund in accordance with legally established budgets. Transfers between funds during the year ending September 30, 2007, were:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Emergency Services	\$14,912,006
	Brevard County Transportation Trust	6,887,929
	Nonmajor Governmental Funds	28,499,532
	Solid Waste Management Department	93,031
	Nonmajor Proprietary Funds	3,181,706
Emergency Services	General Fund	1,089,921
	Nonmajor Governmental Funds	1,077,354
	Brevard County Transportation Trust	7,879
Brevard County Transportation Trust	General Fund	375,282
	Nonmajor Governmental Funds	16,710
Parks and Recreation Facilities	General Fund	28,478
Nonmajor Governmental Funds	General Fund	4,895,975
	Brevard County Transportation Trust	228,925
	Emergency Services	98
	Parks and Recreation Facilities	900,000
	Nonmajor Governmental Funds	4,054,994
Solid Waste Management Department	General Fund	636,882
Water Resources Department	General Fund	10,806
Nonmajor Proprietary Funds	Nonmajor Governmental Funds	567,515
	General Fund	134,477
Total Transfers		<u>\$67,599,500</u>

Transfers are used primarily to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due and to use unrestricted revenues collected in the general fund and other funds to finance various programs accounted for in other funds.

23. Retirement Plan - All Brevard County permanent employees participate in the Florida Retirement System, which is a multiple-employer, cost sharing public employee retirement system. This retirement system is administered by the State of Florida, Department of Administration, Division of Retirement. The retirement system is noncontributory for members; all contributions are made by participating employers. Membership in the Florida Retirement System is mandatory if an employee is in a full-time or part-time regularly established position in a state agency, county government, district school board, state university, community college, or any other qualified participating agency. The retirement system provides for vesting of benefits after six years of service (eight years for elected county officials). Employees are eligible for normal retirement with 30 years of creditable service or at age 62. Early retirement may be taken any time after six years of service (eight years for elected county officials); however, there is a 5% benefit reduction for each year prior to normal retirement. Benefits are computed on the basis of age, average final compensation, and service credit. Average final compensation is the average of the five highest fiscal years of earnings. The system also provides for death and disability benefits, which are established by Florida Statutes.

The retirement plan is funded by employer contributions at a rate of 9.85% of the gross pay for regular employees; 20.92% for special-risk employees, which include law enforcement officers, correctional officers, and certain fire service employees; and 16.53% for elected officials. The County's contributions for the years ending September 30, 2007, 2006, and 2005, were \$25,204,062, \$20,025,531, and \$17,109,447, respectively, which equals the required contributions for each year. Contributions for the year ending September 30, 2007, represented 13.62% of covered payroll.

The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Florida Division of Retirement, 2639 Monroe Street, Building C, Tallahassee, FL 32399-1560.

24. Subsequent Events - As discussed in Note 5, at September 30, 2007, the County had \$305,958,132 and the Component Units had \$13,048,675 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool). On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in the Pool due to an unprecedented amount of withdrawals

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

from the Fund coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed reports that the Pool held asset-backed commercial paper that was subject to sub prime mortgage risk. On December 4, 2007, based on recommendations from an outside financial advisor, the State Board of Administration restructured the Pool into two separate pools. Pool A consisted of all money market appropriate assets, which was approximately \$12 billion or 86% of Pool assets. Pool B consisted of assets that either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk, which was approximately \$2 billion or 14% of Pool assets. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Pool A and Pool B.

Currently, Pool A participants may withdraw 37% of their balance or \$4 million, whichever is greater, without penalty. Withdrawals from Pool A in excess of the above limit are subject to a 2% redemption fee. New investments in Pool A are not subject to the redemption fee or withdrawal restrictions. Future withdrawal provisions from Pool A will be subject to further evaluation based on the maturities of existing investments and the liquidity requirements of the Pool. On December 21, 2007, Standard and Poor's Ratings Services assigned its "AAAm" principal stability fund rating to Pool A.

Currently, Pool B participants are prohibited from withdrawing any amount from the Pool. As securities mature in Pool B, funds are transferred to Pool A at which time the funds are available to withdraw from Pool A. Market valuations of the assets held in Pool B are not readily available. In addition, full realization of the principle value of Pool B assets is not readily determinable.

As of the beginning of March 2008, the County has \$184,046,505 and \$32,261,765 invested in Pool A and B, respectively. The Component Units have \$6,431,312 and \$1,356,397 invested in Pool A and B respectively. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

On March 18, 2008, the County authorized redeeming the outstanding 1994A Mental Health Facilities Refunding Revenue Bonds and authorized Circles of Care, the lessee, to purchase the facilities from Brevard County for \$1.

25. Prior Period Adjustment – Tax deed surplus monies are the amounts received from the delinquent tax deed sale in excess of the tax and other liens on the property which are not claimed by the property owner. Property owners have two years from the date the surplus tax deed monies are turned over to the County to make a claim. In prior years, these amounts were reported as revenues in the period received, netted against refunds issued to property owners. During fiscal year 2007, the accounting treatment for unclaimed tax deed surplus monies remitted to the County was revised. Beginning net assets in the governmental type activities on the Statement of Activities and beginning fund balance in the General Fund on the Statement of Revenues, Expenditures, and Changes in Fund Balances was restated by (\$3,172,150) and a corresponding increase to unearned revenue was reported to reflect the amount of tax deed surplus remitted to the County in prior years for which the statutorily required two year claim period had not expired.

The County has entered into interlocal agreements with several cities and a private corporation for joint funding of road projects. In exchange for the organizations providing their share of the funding in advance, the County agreed to a construction schedule and repayment of any unused funding. In prior years, these amounts were reported as revenues in the year received. During fiscal year 2007, the accounting treatment for these agreements was corrected in order to reflect the unexpended balances as unearned revenue. Beginning net assets in the governmental type activities on the Statement of Activities and beginning fund balance in the Brevard County Transportation Trust fund on the Statement of Revenues, Expenditures, and Changes in Fund Balances was restated by (\$467,747) and a corresponding increase to unearned revenue was reported to record the unexpended balances.

The County maintains a self-insured group health plan within the Risk Management Internal Service fund. Prior years' financial statements did not include recognition of an accrued claims liability for this plan. Beginning net assets in the governmental type activities on the Statement of Activities and beginning net assets in the Internal Service Funds on the Statement of Revenues, Expenses, and Changes in Net Assets were restated by (\$1,637,729) to reflect the correct balance in the accrued claims payable account as of the beginning of fiscal year 2007.

During fiscal year 2007, accounting staff corrected an error made in previous year recording service fees and accounts receivable within the Barefoot Bay Water & Sewer District Enterprise fund. Beginning net assets in the business type activities on the Statement of Activities and beginning net assets on the Barefoot Bay Water & Sewer District Enterprise fund on the Statement of Revenues, Expenditures, and Changes in Fund Balances were restated by (\$144,919) and a corresponding decrease in accounts receivable was reported to correct this error.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

26. Special item – Sale of land – During fiscal year 2007, the County sold three parcels of land that are reported as special items because of their significance. On March 9th, 2007, the County sold approximately 6.5 acres of property to the North Brevard Hospital District (Hospital District) and received \$994,725 in proceeds, as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances. The property was a portion of 26 acres originally purchased by the County in 2005 as part of the Chain of Lakes regional park. The Chain of Lakes park is being developed as a cooperative effort among the County, the Hospital District, the City of Titusville and the St. Johns River Water Management District. The portion of land sold in 2007 had a historical cost of \$709,908, resulting in a \$284,817 gain, as reported in the governmental type activities on the Statement of Activities. On April 11, 2007 the County sold 1.1 acres of a 5.1 acres parcel originally purchased for right of way for a road realignment. Proceeds of the sale in the amount of \$610,000 were received from the City of Melbourne, as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances. The portion of the land sold in 2007 had a historical cost of \$181,917, resulting in a \$428,083 gain as reported in the governmental activities on the Statement of Activities. On December 4, 2006 the County sold approximately 1.43 acres of vacant land (the site of a former wastewater treatment plant) and received \$686,000 proceeds. The land had a historical cost of \$207,040, resulting in \$478,960 gain as reported in the business-type activities on the Statement of Activities and in the Water Resources Enterprise fund on the Statement of Revenues, Expenses, and Changes in Net Assets.
27. Post Employment Healthcare Plan – Brevard County provides Pre-65 and Post-65 healthcare coverage to eligible retirees and their eligible dependants. Florida Statutes require local governments to offer the same health and hospitalization insurance coverage to retirees and eligible dependants as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. Employees hired prior to January 1, 2006 are eligible to receive 100% of the earned percentage of benefits for their lifetime upon attainment of age 62 and completion of six years of service, or 30 years of service, if earlier. Employees hired on or after January 1, 2006 are eligible to receive a graduated earned percentage of benefits upon retirement, based on years of service.

Because of GASB approval of Statement No. 45, which set forth guidelines and a future implementation timetable for accounting and reporting for other postemployment benefits, the County retained an actuary to estimate its obligation and future funding requirements for other postemployment benefits. The purpose of the actuary's study was to enhance the County's understanding of the obligation and to revisit related County policies. The estimate included normal pension-related actuarial assumptions and decreasing estimate of health care cost increases (ranging from 9% to 5% over an 8 year period).

The estimated actuarial accrued liability as of January 1, 2007 was \$123.8 million. The implicit rate subsidy, which permits retirees to pay lower than age-adjusted premiums by blending for both retirees and active employees, represents \$12.5 million of the liability. The implicit rate subsidy is required under Florida Statutes. The explicit rate subsidy, which is the County's current elective contribution levels to retirees' insurance premiums, represents the remaining \$111.3 million of the liability.

The participating employers in the plan include Brevard County government agencies, independent special districts that operate within Brevard County and the Brevard Economic Development Commission not-for-profit. The number of employees, retirees and dependants entitled to receive benefits are as follows:

	<u>Employees</u>	<u>Dependants</u>
Brevard County	3,779	4,638
Special Districts	219	199
Not-For-Profit	13	10
Retirees	778	361
	<u>4,789</u>	<u>5,208</u>

The contribution requirements of plan members are established and may be amended by the County. The required contribution will be based on projected pay-as-you-go financing requirements, with an additional amount to pre-fund benefits as determined annually by the County. Approximately 62% of the retirees' premiums were paid by the County.

The County elected to contribute only the \$2.7 million pay-as-you-go financing requirements to the plan. The remaining \$11.8 million represents the net OPEB obligation, bringing the total estimated annual required contribution to \$14.5 million. If the actuarial assumptions, the employer/employee contribution rates and the County's policy of funding only the pay-as-you-go requirements to the plan continue into fiscal year 2008, the liability to be recorded at September 30, 2008 will be approximately \$11.8 million. The actual reporting of the obligation in the financial statements will begin in fiscal year 2008.

Nonmajor Governmental Funds

Special Revenue Funds

Recreation District IV Operating Fund - to account for an ad valorem tax levy of up to 0.9 mill in County Commission District IV in accordance with Chapter 71-544, Laws of Florida, for the provision of recreation facilities and programs.

Brevard County Free Public Library District Fund - to account for a county-wide ad valorem tax levy of up to 1.0 mill pursuant to Chapter 72-480, Laws of Florida, to operate and maintain the County library system.

Brevard County Mosquito Control District Fund - to account for a county-wide ad valorem taxing district pursuant to Chapter 18437, Laws of Florida, and Chapter 388, Florida Statutes, for the purpose of controlling arthropods.

Special Road And Bridge Districts Fund - to account for ad valorem tax levies in Districts I, II, III, IV, and V of up to 1.0 mill per district for the maintenance of roads, bridges, and canals of the community as provided by County Ordinances.

Miscellaneous Fines Fund - to account for fines imposed upon those found guilty of criminal offenses that are to be used for various judicial costs.

Recreation District I M.S.T.U. Fund - to account for an ad valorem tax levy of up to 1.0 mill in County Commission District I for the operation of recreation programs in accordance with Ordinance 76-29.

Special Law Enforcement District Fund - to account for an ad valorem tax levy of up to 2.0 mills for the provision of law enforcement services to the community in accordance with Ordinance 01-55. This includes contracts with the City of Cape Canaveral, the Canaveral Port Authority, and the Housing Authority of Brevard County for law enforcement services.

Tourist Development Tax Fund - to account for the collection of sales tax levied against revenues associated with tourism in Brevard County. These taxes are to be expended to promote tourism, acquire and improve tourist facilities, finance beach improvement and renourishment, and construct a zoo and sports complex. This levy was established pursuant to Section 125.0104, Florida Statutes and Ordinance 86-25, as amended by 2005-21.

Surface Water Improvement Division Fund - to account for the collection of stormwater assessments in Districts I, II, III, IV, and V. These revenues are to be expended in accordance with Ordinance 90-34.

State Housing Initiative Partnership Fund - to account for a local housing program which expands the supply of affordable housing for low income families pursuant to Section 420.9075, Florida Statutes.

Hurricane Housing Recovery Program Fund - to account for a housing recovery assistance plan resulting from hurricanes in 2004.

Brevard County Building Code Compliance Fund - account for revenues pursuant to Chapter 553, Florida Statutes, to process development applications and comply with building codes.

Education Impact Fees Fund - to account for impact fees assessed on new construction for public elementary and secondary educational facilities.

Environmentally Endangered Land Program Fund - to account for acquisition and improvements to endangered lands in Brevard County.

Grants Fund - to account for certain federal and state grants.

Records Modernization Trust Fund - to account for service charges collected on recording fees to be used for modernization of the official records system, and court-related technology needs of the Clerk, as set forth in Section 28.24, Florida Statutes.

Debt Service Funds

Mental Health Facilities Refunding Revenue Bonds, Series 1994A - to refund Mental Health Facilities Revenue Bonds, Series 1980, which were issued to finance the acquisition, construction and improvements to mental health centers.

Tourist Development Tax Revenue Refunding Bonds, Series 2001 - to refund Tourist Development Tax Revenue Bonds, Series 1993, which were issued to finance the construction of a baseball spring training facility within Brevard County.

Sales Tax Revenue Bonds - to finance the acquisition and construction of capital improvements within Brevard County.

Commercial Paper Note - to finance the acquisition and construction of certain water system improvements, road paving, canal dredging, and culverts in Brevard County, capital equipment, construction of T-hangars, beach renourishment, and replacement of fuel storage tanks.

Limited Ad Valorem Tax Bonds - to finance the acquisition, preservation and improvement of environmentally endangered land in Brevard County; to finance the acquisition, development and improvement of certain parks in North Brevard, South Brevard, and Merritt Island; to partially refund Limited Ad Valorem Tax Bonds, Series 1991.

Second Guaranteed Entitlement Bonds, Series 1996 - to finance the acquisition and construction of recreational facilities in the Port St. John/Canaveral Groves Recreational Facilities Municipal Service Taxing Unit.

Capital Projects Funds

General Government Facilities - to account for the construction and improvements made to county government facilities in Brevard County.

Special Assessment Construction Projects - to account for costs associated with the provision of water extension lines and road construction in Brevard County.

Countywide Library Projects - to account for the construction and improvements to library facilities in Brevard County.

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<i>Special Revenue</i>	
	<i>Recreation District IV Operating</i>	<i>Brevard County Free Public Library District</i>
ASSETS		
Cash	\$ 1,401,340	\$ 7,180,653
Cash with escrow and paying agent	0	0
Receivables (net of allowance for uncollectibles):		
Accounts	657	7,690
Assessments, current	0	0
Accrued interest	3,436	31,457
Due from other funds	9,497	114,033
Due from other governmental units	997	485
Inventory of supplies	15,506	0
Advances to other funds	0	0
Assessments receivable, deferred	0	0
Capital lease receivable	0	0
Total assets	\$ 1,431,433	\$ 7,334,318
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 175,954	\$ 244,966
Accrued wages and benefits payable	0	0
Due to other funds	0	50,670
Due to other governmental units	810	517
Advances from other funds	0	0
Deferred revenue	0	0
Total liabilities	\$ 176,764	\$ 296,153
Fund balances:		
Reserved for:		
Debt service	\$ 0	\$ 0
Inventory	15,506	0
Noncurrent receivables	0	0
Unreserved, reported in:		
Debt Service funds	0	0
Special Revenue funds	1,239,163	7,038,165
Capital Project funds	0	0
Total fund balances	\$ 1,254,669	\$ 7,038,165
Total liabilities and fund balances	\$ 1,431,433	\$ 7,334,318

<i>Brevard County Mosquito Control District</i>	<i>Special Road And Bridge Districts</i>	<i>Miscellaneous Fines</i>	<i>Recreation District I M.S.T.U.</i>	<i>Special Law Enforcement District</i>
\$ 2,741,741 0	\$ 6,396,150 0	\$ 6,869,391 0	\$ 3,334,858 0	\$ 1,583,928 0
2,364 0	0 0	65,324 0	590 0	495 0
14,332	28,210	22,347	11,114	2,643
37,599	29,678	0	14,710	77,719
185,251	135	64,025	40,561	217,626
682,283	289,718	0	34,864	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ 3,663,570</u>	<u>\$ 6,743,891</u>	<u>\$ 7,021,087</u>	<u>\$ 3,436,697</u>	<u>\$ 1,882,411</u>
\$ 162,884 0 0 0 0 175,143	\$ 323,513 0 1,542 0 0 0	\$ 672,355 788 0 33,084 0 196,329	\$ 209,503 0 0 568 0 39,098	\$ 32,675 308,212 38,503 185,435 0 103,125
<u>\$ 338,027</u>	<u>\$ 325,055</u>	<u>\$ 902,556</u>	<u>\$ 249,169</u>	<u>\$ 667,950</u>
\$ 0 682,283 0 0 2,643,260 0	\$ 0 289,718 0 0 6,129,118 0	\$ 0 0 0 0 6,118,531 0	\$ 0 34,864 0 0 3,152,664 0	\$ 0 0 0 0 1,214,461 0
<u>\$ 3,325,543</u>	<u>\$ 6,418,836</u>	<u>\$ 6,118,531</u>	<u>\$ 3,187,528</u>	<u>\$ 1,214,461</u>
<u>\$ 3,663,570</u>	<u>\$ 6,743,891</u>	<u>\$ 7,021,087</u>	<u>\$ 3,436,697</u>	<u>\$ 1,882,411</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<i>Special Revenue</i>	
	<i>Tourist Development Tax</i>	<i>Surface Water Improvement Division</i>
ASSETS		
Cash	\$ 10,787,551	\$ 7,843,382
Cash with escrow and paying agent	4,640	0
Receivables (net of allowance for uncollectibles):		
Accounts	85,880	0
Assessments, current	0	0
Accrued interest	59,830	35,007
Due from other funds	0	41,710
Due from other governmental units	1,371,202	11,464
Inventory of supplies	21,372	0
Advances to other funds	0	482,998
Assessments receivable, deferred	0	0
Capital lease receivable	0	0
Total assets	\$ 12,330,475	\$ 8,414,561
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 463,517	\$ 49,582
Accrued wages and benefits payable	0	0
Due to other funds	0	0
Due to other governmental units	14,217	978
Advances from other funds	0	0
Deferred revenue	616,765	0
Total liabilities	\$ 1,094,499	\$ 50,560
Fund balances:		
Reserved for:		
Debt service	\$ 0	\$ 0
Inventory	21,372	0
Noncurrent receivables	0	482,998
Unreserved, reported in:		
Debt Service funds	0	0
Special Revenue funds	11,214,604	7,881,003
Capital Project funds	0	0
Total fund balances	\$ 11,235,976	\$ 8,364,001
Total liabilities and fund balances	\$ 12,330,475	\$ 8,414,561

<i>State Housing Initiative Partnership</i>	<i>Hurricane Housing Recovery Program</i>	<i>Brevard County Building Code Compliance</i>	<i>Education Impact Fees</i>	<i>Environmentally Endangered Land Program</i>
\$ 5,415,718 0	\$ 4,849,462 0	\$ 721,000 0	\$ 6,221,878 0	\$ 1,888,720 0
68,518 0	0 0	0 0	0 0	418 0
24,307	20,585	3,456	29,364	9,175
130,382	0	0	0	0
0	0	71,383	0	0
0	0	0	0	24,791
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ 5,638,925</u>	<u>\$ 4,870,047</u>	<u>\$ 795,839</u>	<u>\$ 6,251,242</u>	<u>\$ 1,923,104</u>
\$ 18,292 0 0 0 0 0	\$ 147,271 0 0 0 0 0	\$ 47,677 0 0 9,936 0 0	\$ 8,891 0 100,373 0 401,493 0	\$ 20,827 0 0 0 0 0
<u>\$ 18,292</u>	<u>\$ 147,271</u>	<u>\$ 57,613</u>	<u>\$ 510,757</u>	<u>\$ 20,827</u>
\$ 0 0 0	\$ 0 0 0	\$ 0 0 0	\$ 0 0 0	\$ 0 24,791 0
0 5,620,633 0	0 4,722,776 0	0 738,226 0	0 5,740,485 0	0 1,877,486 0
<u>\$ 5,620,633</u>	<u>\$ 4,722,776</u>	<u>\$ 738,226</u>	<u>\$ 5,740,485</u>	<u>\$ 1,902,277</u>
<u>\$ 5,638,925</u>	<u>\$ 4,870,047</u>	<u>\$ 795,839</u>	<u>\$ 6,251,242</u>	<u>\$ 1,923,104</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<i>Special Revenue</i>	
	<i>Grants</i>	<i>Records Modernization Trust</i>
ASSETS		
Cash	\$ 134	\$ 4,001,505
Cash with escrow and paying agent	0	0
Receivables (net of allowance for uncollectibles):		
Accounts	163,018	1,781
Assessments, current	0	0
Accrued interest	9,493	0
Due from other funds	0	0
Due from other governmental units	2,582,546	0
Inventory of supplies	0	0
Advances to other funds	0	0
Assessments receivable, deferred	0	0
Capital lease receivable	0	0
Total assets	<u>\$ 2,755,191</u>	<u>\$ 4,003,286</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 1,392,444	\$ 40,659
Accrued wages and benefits payable	0	23,538
Due to other funds	195,498	0
Due to other governmental units	3,883	0
Advances from other funds	170,000	0
Deferred revenue	1,776,256	0
Total liabilities	<u>\$ 3,538,081</u>	<u>\$ 64,197</u>
Fund balances:		
Reserved for:		
Debt service	\$ 0	\$ 0
Inventory	0	0
Noncurrent receivables	0	0
Unreserved, reported in:		
Debt Service funds	0	0
Special Revenue funds	(782,890)	3,939,089
Capital Project funds	0	0
Total fund balances	<u>\$ (782,890)</u>	<u>\$ 3,939,089</u>
Total liabilities and fund balances	<u><u>\$ 2,755,191</u></u>	<u><u>\$ 4,003,286</u></u>

Debt Service

<i>Mental Health Facilities Refunding Revenue Bonds, Series 1994A</i>	<i>Tourist Development Tax Revenue Refunding Bonds, Series 2001</i>	<i>Sales Tax Revenue Bonds</i>	<i>Commercial Paper Note</i>	<i>Limited Ad Valorem Tax Bonds</i>
\$ 437,973 0	\$ 1,276,321 0	\$ 592,879 0	\$ 51,658 0	\$ 9,492,604 0
0	0	0	0	0
0	0	0	46,561	0
1,900	5,537	110	9,421	41,943
0	0	0	0	173,740
0	0	0	0	260
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	205,658	0
430,000	0	0	0	0
<u>\$ 869,873</u>	<u>\$ 1,281,858</u>	<u>\$ 592,989</u>	<u>\$ 313,298</u>	<u>\$ 9,708,547</u>
\$ 0	\$ 0	\$ 350	\$ 0	\$ 17,093
0	0	0	0	0
0	0	0	0	0
0	0	0	23,845	7,879
0	0	0	0	0
430,000	0	0	205,658	0
<u>\$ 430,000</u>	<u>\$ 0</u>	<u>\$ 350</u>	<u>\$ 229,503</u>	<u>\$ 24,972</u>
\$ 170,000	\$ 707,000	\$ 0	\$ 0	\$ 0
0	0	0	0	0
0	0	0	0	0
269,873	574,858	592,639	83,795	9,683,575
0	0	0	0	0
0	0	0	0	0
<u>\$ 439,873</u>	<u>\$ 1,281,858</u>	<u>\$ 592,639</u>	<u>\$ 83,795</u>	<u>\$ 9,683,575</u>
<u>\$ 869,873</u>	<u>\$ 1,281,858</u>	<u>\$ 592,989</u>	<u>\$ 313,298</u>	<u>\$ 9,708,547</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<u><i>Debt Service Second Guaranteed Entitlement Bonds, Series 1996</i></u>
ASSETS	
Cash	\$ 635,590
Cash with escrow and paying agent	0
Receivables (net of allowance for uncollectibles):	
Accounts	0
Assessments, current	0
Accrued interest	2,754
Due from other funds	3,600
Due from other governmental units	30
Inventory of supplies	0
Advances to other funds	0
Assessments receivable, deferred	0
Capital lease receivable	0
Total assets	<u><u>\$ 641,974</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Vouchers and contracts payable	\$ 0
Accrued wages and benefits payable	0
Due to other funds	0
Due to other governmental units	43,729
Advances from other funds	0
Deferred revenue	0
Total liabilities	<u><u>\$ 43,729</u></u>
Fund balances:	
Reserved for:	
Debt service	\$ 0
Inventory	0
Noncurrent receivables	0
Unreserved, reported in:	
Debt Service funds	598,245
Special Revenue funds	0
Capital Project funds	0
Total fund balances	<u><u>\$ 598,245</u></u>
Total liabilities and fund balances	<u><u>\$ 641,974</u></u>

<i>Capital Projects</i>			
<i>General Government Facilities</i>	<i>Special Assessment Construction Projects</i>	<i>Countywide Library Projects</i>	<i>Total</i>
\$ 15,317,955	\$ 20,276	\$ 871,133	\$ 99,933,800
0	0	0	4,640
0	0	0	396,735
0	0	0	46,561
66,505	151	3,783	436,860
0	0	0	632,668
0	0	0	4,545,965
0	0	0	1,068,534
0	0	0	482,998
0	0	0	205,658
0	0	0	430,000
<u>\$ 15,384,460</u>	<u>\$ 20,427</u>	<u>\$ 874,916</u>	<u>\$ 108,184,419</u>
\$ 2,883,743	\$ 0	\$ 0	\$ 6,912,196
0	0	0	332,538
2,129,081	0	0	2,515,667
0	0	0	324,881
0	0	0	571,493
0	0	0	3,542,374
<u>\$ 5,012,824</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,199,149</u>
\$ 0	\$ 0	\$ 0	\$ 877,000
0	0	0	1,068,534
0	0	0	482,998
0	0	0	11,802,985
0	0	0	68,486,774
10,371,636	20,427	874,916	11,266,979
<u>\$ 10,371,636</u>	<u>\$ 20,427</u>	<u>\$ 874,916</u>	<u>\$ 93,985,270</u>
<u>\$ 15,384,460</u>	<u>\$ 20,427</u>	<u>\$ 874,916</u>	<u>\$ 108,184,419</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Special Revenue</i>	
	<i>Recreation District IV Operating</i>	<i>Brevard County Free Public Library District</i>
REVENUES		
Taxes	\$ 1,695,050	\$ 20,840,453
Licenses and permits	0	0
Intergovernmental revenues	2,339	683
Charges for services	240,007	0
Fines and forfeits	0	678,510
Miscellaneous revenues	194,566	904,525
Total revenues	<u>\$ 2,131,962</u>	<u>\$ 22,424,171</u>
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	0
Physical environment	0	0
Transportation	0	0
Economic environment	0	0
Human services	0	0
Culture and recreation	5,554,473	18,652,083
Intergovernmental	529,441	0
Capital outlay	0	0
Debt service:		
Principal	55,000	0
Interest	18,222	0
Total expenditures	<u>\$ 6,157,136</u>	<u>\$ 18,652,083</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (4,025,174)</u>	<u>\$ 3,772,088</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 3,912,026	\$ 174,671
Transfers out	(67,884)	(2,370,987)
Proceeds of the sale of capital assets	0	1,139
Insurance proceeds	0	183,345
Capital related debt issued	0	0
Total other financing sources and uses	<u>\$ 3,844,142</u>	<u>\$ (2,011,832)</u>
Net change in fund balances	<u>\$ (181,032)</u>	<u>\$ 1,760,256</u>
Fund balances - beginning	1,431,935	5,277,909
Increase (decrease) in reserve for inventory of supplies	3,766	0
Fund balances - ending	<u><u>\$ 1,254,669</u></u>	<u><u>\$ 7,038,165</u></u>

<i>Brevard County Mosquito Control District</i>	<i>Special Road And Bridge Districts</i>	<i>Miscellaneous Fines</i>	<i>Recreation District I M.S.T.U.</i>	<i>Special Law Enforcement District</i>
\$ 6,824,294	\$ 5,255,507	\$ 0	\$ 4,191,009	\$ 13,740,248
0	0	0	0	0
135,977	0	0	71,202	4,925
0	0	4,630,896	351,036	4,526,337
0	0	735,002	0	0
320,102	434,446	1,297,079	358,212	331,966
<u>\$ 7,280,373</u>	<u>\$ 5,689,953</u>	<u>\$ 6,662,977</u>	<u>\$ 4,971,459</u>	<u>\$ 18,603,476</u>
\$ 0	\$ 0	\$ 6,129,033	\$ 0	\$ 0
0	0	3,495,491	0	19,418,767
54,096	0	0	0	0
0	5,572,158	0	0	0
0	0	0	0	0
6,339,670	0	236,423	0	0
0	0	0	8,889,161	0
0	0	0	171,164	0
0	0	0	0	0
534,000	140,000	0	30,000	0
46,192	19,057	0	10,869	0
<u>\$ 6,973,958</u>	<u>\$ 5,731,215</u>	<u>\$ 9,860,947</u>	<u>\$ 9,101,194</u>	<u>\$ 19,418,767</u>
<u>\$ 306,415</u>	<u>\$ (41,262)</u>	<u>\$ (3,197,970)</u>	<u>\$ (4,129,735)</u>	<u>\$ (815,291)</u>
\$ 37,599	\$ 29,678	\$ 4,133,994	\$ 6,469,603	\$ 77,719
(260,913)	(275,084)	(745,977)	(242,627)	(550,763)
12,348	0	0	0	27,954
84,337	0	0	29,673	0
0	0	0	0	0
<u>\$ (126,629)</u>	<u>\$ (245,406)</u>	<u>\$ 3,388,017</u>	<u>\$ 6,256,649</u>	<u>\$ (445,090)</u>
\$ 179,786	\$ (286,668)	\$ 190,047	\$ 2,126,914	\$ (1,260,381)
3,015,742	6,611,791	5,928,484	1,060,183	2,474,842
130,015	93,713	0	431	0
<u>\$ 3,325,543</u>	<u>\$ 6,418,836</u>	<u>\$ 6,118,531</u>	<u>\$ 3,187,528</u>	<u>\$ 1,214,461</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Special Revenue</i>	
	<i>Tourist Development Tax</i>	<i>Surface Water Improvement Division</i>
REVENUES		
Taxes	\$ 8,721,852	\$ 0
Licenses and permits	0	0
Intergovernmental revenues	3,914,850	5,000
Charges for services	0	62,994
Fines and forfeits	0	0
Miscellaneous revenues	753,135	3,718,318
Total revenues	\$ 13,389,837	\$ 3,786,312
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	0
Physical environment	551,856	2,641,683
Transportation	0	0
Economic environment	4,326,174	0
Human services	0	0
Culture and recreation	3,186,579	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	3,400,000	0
Interest	128,078	0
Total expenditures	\$ 11,592,687	\$ 2,641,683
Excess (deficiency) of revenues over (under) expenditures	\$ 1,797,150	\$ 1,144,629
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 0	\$ 0
Transfers out	(2,089,623)	(992,810)
Proceeds of the sale of capital assets	0	0
Insurance proceeds	43,918	0
Capital related debt issued	0	0
Total other financing sources and uses	\$ (2,045,705)	\$ (992,810)
Net change in fund balances	\$ (248,555)	\$ 151,819
Fund balances - beginning	11,474,648	8,212,182
Increase (decrease) in reserve for inventory of supplies	9,883	0
Fund balances - ending	\$ 11,235,976	\$ 8,364,001

<i>State Housing Initiative Partnership</i>	<i>Hurricane Housing Recovery Program</i>	<i>Brevard County Building Code Compliance</i>	<i>Education Impact Fees</i>	<i>Environmentally Endangered Land Program</i>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,295,455
0	0	3,282,915	0	0
1,453,306	5,917,274	0	0	0
0	0	9,929	0	2,086
0	0	0	0	0
526,094	282,216	106,337	14,908,635	135,065
<u>\$ 1,979,400</u>	<u>\$ 6,199,490</u>	<u>\$ 3,399,181</u>	<u>\$ 14,908,635</u>	<u>\$ 3,432,606</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	4,403,482	0	0
0	0	0	0	2,699,839
0	0	0	0	0
1,489,191	4,416,636	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	20,934,959	0
0	0	0	0	0
0	0	77,850	0	0
0	0	13,227	0	0
<u>\$ 1,489,191</u>	<u>\$ 4,416,636</u>	<u>\$ 4,494,559</u>	<u>\$ 20,934,959</u>	<u>\$ 2,699,839</u>
<u>\$ 490,209</u>	<u>\$ 1,782,854</u>	<u>\$ (1,095,378)</u>	<u>\$ (6,026,324)</u>	<u>\$ 732,767</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	(53,285)	(143,038)	(177)
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (53,285)</u>	<u>\$ (143,038)</u>	<u>\$ (177)</u>
\$ 490,209	\$ 1,782,854	\$ (1,148,663)	\$ (6,169,362)	\$ 732,590
5,130,424	2,939,922	1,886,889	11,909,847	1,158,060
0	0	0	0	11,627
<u>\$ 5,620,633</u>	<u>\$ 4,722,776</u>	<u>\$ 738,226</u>	<u>\$ 5,740,485</u>	<u>\$ 1,902,277</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Special Revenue</i>	
	<i>Grants</i>	<i>Records Modernization Trust</i>
REVENUES		
Taxes	\$ 0	\$ 0
Licenses and permits	0	0
Intergovernmental revenues	10,383,154	0
Charges for services	0	2,101,549
Fines and forfeits	0	0
Miscellaneous revenues	391,698	181,002
Total revenues	\$ 10,774,852	\$ 2,282,551
EXPENDITURES		
Current:		
General government	\$ 53,256	\$ 4,265,495
Public safety	943,438	0
Physical environment	1,155,470	0
Transportation	1,061,587	0
Economic environment	5,708,509	0
Human services	2,921,230	0
Culture and recreation	796,744	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	\$ 12,640,234	\$ 4,265,495
Excess (deficiency) of revenues over (under) expenditures	\$ (1,865,382)	\$ (1,982,944)
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 1,073,356	\$ 0
Transfers out	(300,000)	0
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Capital related debt issued	0	0
Total other financing sources and uses	\$ 773,356	\$ 0
Net change in fund balances	\$ (1,092,026)	\$ (1,982,944)
Fund balances - beginning	309,136	5,922,033
Increase (decrease) in reserve for inventory of supplies	0	0
Fund balances - ending	\$ (782,890)	\$ 3,939,089

Debt Service

<i>Mental Health Facilities Refunding Revenue Bonds, Series 1994A</i>	<i>Tourist Development Tax Revenue Refunding Bonds, Series 2001</i>	<i>Sales Tax Revenue Bonds</i>	<i>Commercial Paper Note</i>	<i>Limited Ad Valorem Tax Bonds</i>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,329,633
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
131,379	66,639	1,354	82,315	1,025,125
<u>\$ 131,379</u>	<u>\$ 66,639</u>	<u>\$ 1,354</u>	<u>\$ 82,315</u>	<u>\$ 17,354,758</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
130,000	585,000	4,968,850	840,000	9,170,000
29,123	184,130	2,599,334	176,565	8,077,351
<u>\$ 159,123</u>	<u>\$ 769,130</u>	<u>\$ 7,568,184</u>	<u>\$ 1,016,565</u>	<u>\$ 17,247,351</u>
<u>\$ (27,744)</u>	<u>\$ (702,491)</u>	<u>\$ (7,566,830)</u>	<u>\$ (934,250)</u>	<u>\$ 107,407</u>
\$ 0	\$ 777,844	\$ 8,133,799	\$ 882,871	\$ 373,740
0	0	0	0	(1,543,538)
0	0	0	0	0
0	0	0	0	0
0	0	0	0	1,148,187
<u>\$ 0</u>	<u>\$ 777,844</u>	<u>\$ 8,133,799</u>	<u>\$ 882,871</u>	<u>\$ (21,611)</u>
\$ (27,744)	\$ 75,353	\$ 566,969	\$ (51,379)	\$ 85,796
467,617	1,206,505	25,670	135,174	9,597,779
0	0	0	0	0
<u>\$ 439,873</u>	<u>\$ 1,281,858</u>	<u>\$ 592,639</u>	<u>\$ 83,795</u>	<u>\$ 9,683,575</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Debt Service</u> <u>Second</u> <u>Guaranteed</u> <u>Entitlement</u> <u>Bonds,</u> <u>Series 1996</u>
REVENUES	
Taxes	\$ 635,070
Licenses and permits	0
Intergovernmental revenues	0
Charges for services	0
Fines and forfeits	0
Miscellaneous revenues	21,321
Total revenues	<u>\$ 656,391</u>
EXPENDITURES	
Current:	
General government	\$ 0
Public safety	0
Physical environment	0
Transportation	0
Economic environment	0
Human services	0
Culture and recreation	0
Intergovernmental	0
Capital outlay	0
Debt service:	
Principal	240,000
Interest	154,658
Total expenditures	<u>\$ 394,658</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 261,733</u>
OTHER FINANCING SOURCES AND (USES)	
Transfers in	\$ 3,600
Transfers out	(25,721)
Proceeds of the sale of capital assets	0
Insurance proceeds	0
Capital related debt issued	0
Total other financing sources and uses	<u>\$ (22,121)</u>
Net change in fund balances	\$ 239,612
Fund balances - beginning	358,633
Increase (decrease) in reserve for inventory of supplies	0
Fund balances - ending	<u><u>\$ 598,245</u></u>

Capital Projects

<i>General Government Facilities</i>	<i>Special Assessment Construction Projects</i>	<i>Countywide Library Projects</i>	<i>Total</i>
\$ 0	\$ 0	\$ 0	\$ 81,528,571
0	0	0	3,282,915
0	0	0	21,888,710
2,029	0	0	11,926,863
0	0	0	1,413,512
754,865	2,840	45,387	26,974,621
<u>\$ 756,894</u>	<u>\$ 2,840</u>	<u>\$ 45,387</u>	<u>\$ 147,015,192</u>
\$ 0	\$ 0	\$ 0	\$ 10,447,784
0	0	0	28,261,178
0	0	0	7,102,944
0	0	0	6,633,745
0	0	0	15,940,510
0	0	0	9,497,323
0	0	0	37,079,040
0	0	0	21,635,564
11,430,085	39,342	2,546	11,471,973
0	0	0	20,170,700
0	0	0	11,456,806
<u>\$ 11,430,085</u>	<u>\$ 39,342</u>	<u>\$ 2,546</u>	<u>\$ 179,697,567</u>
<u>\$ (10,673,191)</u>	<u>\$ (36,502)</u>	<u>\$ 42,841</u>	<u>\$ (32,682,375)</u>
\$ 8,135,605	\$ 0	\$ 0	\$ 34,216,105
(6,492)	(411,073)	0	(10,079,992)
0	0	0	41,441
0	0	0	341,273
0	0	0	1,148,187
<u>\$ 8,129,113</u>	<u>\$ (411,073)</u>	<u>\$ 0</u>	<u>\$ 25,667,014</u>
\$ (2,544,078)	\$ (447,575)	\$ 42,841	\$ (7,015,361)
12,915,714	468,002	832,075	100,751,196
0	0	0	249,435
<u>\$ 10,371,636</u>	<u>\$ 20,427</u>	<u>\$ 874,916</u>	<u>\$ 93,985,270</u>

BREVARD COUNTY, FLORIDA
RECREATION DISTRICT IV OPERATING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 1,800,868	\$ 1,695,050	\$ (105,818)
Intergovernmental revenues	0	2,339	2,339
Charges for services	284,868	240,007	(44,861)
Miscellaneous revenues	108,757	194,566	85,809
	<u> </u>	<u> </u>	<u> </u>
Total revenues	\$ 2,194,493	\$ 2,131,962	\$ (62,531)
EXPENDITURES			
Current:			
Culture and recreation	\$ 6,507,192	\$ 5,554,473	\$ 952,719
Intergovernmental	500,000	529,441	(29,441)
Debt service:			
Principal	62,584	55,000	7,584
Interest	19,417	18,222	1,195
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	\$ 7,089,193	\$ 6,157,136	\$ 932,057
Deficiency of revenues under expenditures	<u>\$ (4,894,700)</u>	<u>\$ (4,025,174)</u>	<u>\$ 869,526</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 3,902,529	\$ 3,912,026	\$ 9,497
Transfers out	(69,562)	(67,884)	1,678
	<u> </u>	<u> </u>	<u> </u>
Total other financing sources and uses	\$ 3,832,967	\$ 3,844,142	\$ 11,175
Net change in fund balances	\$ (1,061,733)	\$ (181,032)	\$ 880,701
Fund balances - beginning	1,431,935	1,431,935	0
Increase in reserve for inventory of supplies	0	3,766	3,766
	<u> </u>	<u> </u>	<u> </u>
Fund balances - ending	<u>\$ 370,202</u>	<u>\$ 1,254,669</u>	<u>\$ 884,467</u>

BREVARD COUNTY, FLORIDA
BREVARD COUNTY FREE PUBLIC LIBRARY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 21,964,410	\$ 20,840,453	\$ (1,123,957)
Intergovernmental revenues	0	683	683
Fines and forfeits	623,500	678,510	55,010
Miscellaneous revenues	490,034	904,525	414,491
	<u>\$ 23,077,944</u>	<u>\$ 22,424,171</u>	<u>\$ (653,773)</u>
Total revenues			
EXPENDITURES			
Current:			
Culture and recreation	\$ 21,907,575	\$ 18,652,083	\$ 3,255,492
Debt service:			
Principal	1,641,022	0	1,641,022
	<u>\$ 23,548,597</u>	<u>\$ 18,652,083</u>	<u>\$ 4,896,514</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (470,653)</u>	<u>\$ 3,772,088</u>	<u>\$ 4,242,741</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 125,638	\$ 174,671	\$ 49,033
Transfers out	(2,321,678)	(2,370,987)	(49,309)
Proceeds of the sale of capital assets	0	1,139	1,139
Insurance proceeds	0	183,345	183,345
	<u>\$ (2,196,040)</u>	<u>\$ (2,011,832)</u>	<u>\$ 184,208</u>
Total other financing sources and uses			
Net change in fund balances	\$ (2,666,693)	\$ 1,760,256	\$ 4,426,949
Fund balances - beginning	5,277,909	5,277,909	0
Fund balances - ending	<u>\$ 2,611,216</u>	<u>\$ 7,038,165</u>	<u>\$ 4,426,949</u>

BREVARD COUNTY, FLORIDA
BREVARD COUNTY MOSQUITO CONTROL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 7,156,921	\$ 6,824,294	\$ (332,627)
Intergovernmental revenues	389,372	135,977	(253,395)
Miscellaneous revenues	469,881	320,102	(149,779)
Total revenues	\$ 8,016,174	\$ 7,280,373	\$ (735,801)
EXPENDITURES			
Current:			
Physical environment	\$ 92,036	\$ 54,096	\$ 37,940
Human services	9,068,929	6,339,670	2,729,259
Debt service:			
Principal	534,000	534,000	0
Interest	61,309	46,192	15,117
Total expenditures	\$ 9,756,274	\$ 6,973,958	\$ 2,782,316
Excess (deficiency) of revenues over (under) expenditures	\$ (1,740,100)	\$ 306,415	\$ 2,046,515
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 37,599	\$ 37,599
Transfers out	(324,712)	(260,913)	63,799
Proceeds of the sale of capital assets	0	12,348	12,348
Insurance proceeds	0	84,337	84,337
Total other financing sources and uses	\$ (324,712)	\$ (126,629)	\$ 198,083
Net change in fund balances	\$ (2,064,812)	\$ 179,786	\$ 2,244,598
Fund balances - beginning	3,015,742	3,015,742	0
Increase in reserve for inventory of supplies	0	130,015	130,015
Fund balances - ending	\$ 950,930	\$ 3,325,543	\$ 2,374,613

BREVARD COUNTY, FLORIDA
SPECIAL ROAD AND BRIDGE DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 5,336,142	\$ 5,255,507	\$ (80,635)
Intergovernmental revenues	175,524	0	(175,524)
Charges for services	3,000	0	(3,000)
Miscellaneous revenues	351,702	434,446	82,744
Total revenues	<u>\$ 5,866,368</u>	<u>\$ 5,689,953</u>	<u>\$ (176,415)</u>
EXPENDITURES			
Current:			
Transportation	\$ 10,713,066	\$ 5,572,158	\$ 5,140,908
Debt service:			
Principal	0	140,000	(140,000)
Interest	161,651	19,057	142,594
Total expenditures	<u>\$ 10,874,717</u>	<u>\$ 5,731,215</u>	<u>\$ 5,143,502</u>
Deficiency of revenues under expenditures	<u>\$ (5,008,349)</u>	<u>\$ (41,262)</u>	<u>\$ 4,967,087</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 12,500	\$ 29,678	\$ 17,178
Transfers out	(316,050)	(275,084)	40,966
Total other financing sources and uses	<u>\$ (303,550)</u>	<u>\$ (245,406)</u>	<u>\$ 58,144</u>
Net change in fund balances	<u>\$ (5,311,899)</u>	<u>\$ (286,668)</u>	<u>\$ 5,025,231</u>
Fund balances - beginning	6,611,791	6,611,791	0
Increase in reserve for inventory of supplies	0	93,713	93,713
Fund balances - ending	<u><u>\$ 1,299,892</u></u>	<u><u>\$ 6,418,836</u></u>	<u><u>\$ 5,118,944</u></u>

BREVARD COUNTY, FLORIDA

MISCELLANEOUS FINES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 5,046,754	\$ 4,630,896	\$ (415,858)
Fines and forfeits	1,169,026	735,002	(434,024)
Miscellaneous revenues	2,002,301	1,297,079	(705,222)
Total revenues	\$ 8,218,081	\$ 6,662,977	\$ (1,555,104)
EXPENDITURES			
Current:			
General government	\$ 6,886,351	\$ 6,129,033	\$ 757,318
Public safety	4,709,038	3,495,491	1,213,547
Physical environment	179,104	0	179,104
Human services	236,500	236,423	77
Total expenditures	\$ 12,010,993	\$ 9,860,947	\$ 2,150,046
Deficiency of revenues under expenditures	\$ (3,792,912)	\$ (3,197,970)	\$ 594,942
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 4,269,922	\$ 4,133,994	\$ (135,928)
Transfers out	(997,000)	(745,977)	251,023
Total other financing sources and uses	\$ 3,272,922	\$ 3,388,017	\$ 115,095
Net change in fund balances	\$ (519,990)	\$ 190,047	\$ 710,037
Fund balances - beginning	5,928,484	5,928,484	0
Fund balances - ending	\$ 5,408,494	\$ 6,118,531	\$ 710,037

BREVARD COUNTY, FLORIDA
RECREATION DISTRICT I M.S.T.U.SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 4,426,976	\$ 4,191,009	\$ (235,967)
Intergovernmental revenues	535,655	71,202	(464,453)
Charges for services	338,303	351,036	12,733
Miscellaneous revenues	223,976	358,212	134,236
Total revenues	\$ 5,524,910	\$ 4,971,459	\$ (553,451)
EXPENDITURES			
Current:			
Culture and recreation	\$ 12,202,625	\$ 8,889,161	\$ 3,313,464
Intergovernmental	203,248	171,164	32,084
Debt service:			
Principal	30,000	30,000	0
Interest	14,136	10,869	3,267
Total expenditures	\$ 12,450,009	\$ 9,101,194	\$ 3,348,815
Deficiency of revenues under expenditures	\$ (6,925,099)	\$ (4,129,735)	\$ 2,795,364
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 6,454,893	\$ 6,469,603	\$ 14,710
Transfers out	(279,447)	(242,627)	36,820
Insurance proceeds	0	29,673	29,673
Total other financing sources and uses	\$ 6,175,446	\$ 6,256,649	\$ 81,203
Net change in fund balances	\$ (749,653)	\$ 2,126,914	\$ 2,876,567
Fund balances - beginning	1,060,183	1,060,183	0
Increase in reserve for inventory of supplies	0	431	431
Fund balances - ending	\$ 310,530	\$ 3,187,528	\$ 2,876,998

BREVARD COUNTY, FLORIDA
SPECIAL LAW ENFORCEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 14,257,284	\$ 13,740,248	\$ (517,036)
Intergovernmental revenues	0	4,925	4,925
Charges for services	5,382,864	4,526,337	(856,527)
Miscellaneous revenues	76,303	331,966	255,663
	<u>19,716,451</u>	<u>18,603,476</u>	<u>(1,112,975)</u>
EXPENDITURES			
Current:			
Public safety	\$ 20,164,903	\$ 19,418,767	\$ 746,136
Deficiency of revenues under expenditures	<u>\$ (448,452)</u>	<u>\$ (815,291)</u>	<u>\$ (366,839)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 77,719	\$ 77,719
Transfers out	(1,020,000)	(550,763)	469,237
Sale of capital assets	10,000	27,954	17,954
	<u>(1,010,000)</u>	<u>(445,090)</u>	<u>564,910</u>
Total other financing sources and uses	<u>\$ (1,010,000)</u>	<u>\$ (445,090)</u>	<u>\$ 564,910</u>
Net change in fund balances	\$ (1,458,452)	\$ (1,260,381)	\$ 198,071
Fund balances - beginning	<u>2,474,842</u>	<u>2,474,842</u>	<u>0</u>
Fund balances - ending	<u>\$ 1,016,390</u>	<u>\$ 1,214,461</u>	<u>\$ 198,071</u>

BREVARD COUNTY, FLORIDA
TOURIST DEVELOPMENT TAXSCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 7,499,993	\$ 8,721,852	\$ 1,221,859
Intergovernmental revenues	4,454,106	3,914,850	(539,256)
Miscellaneous revenues	756,857	753,135	(3,722)
Total revenues	<u>\$ 12,710,956</u>	<u>\$ 13,389,837</u>	<u>\$ 678,881</u>
EXPENDITURES			
Current:			
Physical environment	\$ 4,611,046	\$ 551,856	\$ 4,059,190
Economic environment	6,964,537	4,326,174	2,638,363
Culture and recreation	6,056,377	3,186,579	2,869,798
Debt service:			
Principal	3,440,000	3,400,000	40,000
Interest	128,031	128,078	(47)
Total expenditures	<u>\$ 21,199,991</u>	<u>\$ 11,592,687</u>	<u>\$ 9,607,304</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (8,489,035)</u>	<u>\$ 1,797,150</u>	<u>\$ 10,286,185</u>
OTHER FINANCING USES AND (USES)			
Transfers out	\$ (1,961,866)	\$ (2,089,623)	\$ (127,757)
Insurance proceeds	0	43,918	43,918
Total other financing sources and uses	<u>\$ (1,961,866)</u>	<u>\$ (2,045,705)</u>	<u>\$ (83,839)</u>
Net change in fund balances	<u>\$ (10,450,901)</u>	<u>\$ (248,555)</u>	<u>\$ 10,202,346</u>
Fund balances - beginning	11,474,648	11,474,648	0
Increase in reserve for inventory of supplies	0	9,883	9,883
Fund balances - ending	<u>\$ 1,023,747</u>	<u>\$ 11,235,976</u>	<u>\$ 10,212,229</u>

BREVARD COUNTY, FLORIDA
SURFACE WATER IMPROVEMENT DIVISION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 0	\$ 5,000	\$ 5,000
Charges for services	39,591	62,994	23,403
Miscellaneous revenues	<u>3,730,957</u>	<u>3,718,318</u>	<u>(12,639)</u>
Total revenues	<u>\$ 3,770,548</u>	<u>\$ 3,786,312</u>	<u>\$ 15,764</u>
EXPENDITURES			
Current:			
Physical environment	<u>\$ 10,795,180</u>	<u>\$ 2,641,683</u>	<u>\$ 8,153,497</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (7,024,632)</u>	<u>\$ 1,144,629</u>	<u>\$ 8,169,261</u>
OTHER FINANCING USES			
Transfers out	<u>\$ (1,000,000)</u>	<u>\$ (992,810)</u>	<u>\$ 7,190</u>
Net change in fund balances	\$ (8,024,632)	\$ 151,819	\$ 8,176,451
Fund balances - beginning	<u>8,212,182</u>	<u>8,212,182</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 187,550</u></u>	<u><u>\$ 8,364,001</u></u>	<u><u>\$ 8,176,451</u></u>

BREVARD COUNTY, FLORIDA
STATE HOUSING INITIATIVE PARTNERSHIP
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 634,812	\$ 1,453,306	\$ 818,494
Miscellaneous revenues	<u>448,677</u>	<u>526,094</u>	<u>77,417</u>
Total revenues	<u>\$ 1,083,489</u>	<u>\$ 1,979,400</u>	<u>\$ 895,911</u>
EXPENDITURES			
Current:			
Economic environment	<u>\$ 6,160,702</u>	<u>\$ 1,489,191</u>	<u>\$ 4,671,511</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (5,077,213)</u>	<u>\$ 490,209</u>	<u>\$ 5,567,422</u>
Net change in fund balances	\$ (5,077,213)	\$ 490,209	\$ 5,567,422
Fund balances - beginning	<u>5,130,424</u>	<u>5,130,424</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 53,211</u></u>	<u><u>\$ 5,620,633</u></u>	<u><u>\$ 5,567,422</u></u>

BREVARD COUNTY, FLORIDA
HURRICANE HOUSING RECOVERY PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 6,613,314	\$ 5,917,274	\$ (696,040)
Miscellaneous revenues	<u>209,480</u>	<u>282,216</u>	<u>72,736</u>
Total revenues	<u>\$ 6,822,794</u>	<u>\$ 6,199,490</u>	<u>\$ (623,304)</u>
EXPENDITURES			
Current:			
Economic environment	<u>\$ 9,459,056</u>	<u>\$ 4,416,636</u>	<u>\$ 5,042,420</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,636,262)</u>	<u>\$ 1,782,854</u>	<u>\$ 4,419,116</u>
Net change in fund balances	\$ (2,636,262)	\$ 1,782,854	\$ 4,419,116
Fund balances - beginning	<u>2,939,922</u>	<u>2,939,922</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 303,660</u></u>	<u><u>\$ 4,722,776</u></u>	<u><u>\$ 4,419,116</u></u>

BREVARD COUNTY, FLORIDA
BREVARD COUNTY BUILDING CODE COMPLIANCE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Licenses and permits	\$ 3,312,000	\$ 3,282,915	\$ (29,085)
Charges for services	28,500	9,929	(18,571)
Fines and forfeits	20,000	0	(20,000)
Miscellaneous revenues	113,834	106,337	(7,497)
Total revenues	<u>\$ 3,474,334</u>	<u>\$ 3,399,181</u>	<u>\$ (75,153)</u>
EXPENDITURES			
Current:			
Public safety	\$ 5,044,105	\$ 4,403,482	\$ 640,623
Debt service:			
Principal	102,420	77,850	24,570
Interest	4,151	13,227	(9,076)
Total expenditures	<u>\$ 5,150,676</u>	<u>\$ 4,494,559</u>	<u>\$ 656,117</u>
Deficiency of revenues under expenditures	<u>\$ (1,676,342)</u>	<u>\$ (1,095,378)</u>	<u>\$ 580,964</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers out	\$ (53,285)	\$ (53,285)	\$ 0
Capital related debt issued	106,571	0	(106,571)
Total other financing sources and uses	<u>\$ 53,286</u>	<u>\$ (53,285)</u>	<u>\$ (106,571)</u>
Net change in fund balances	<u>\$ (1,623,056)</u>	<u>\$ (1,148,663)</u>	<u>\$ 474,393</u>
Fund balances - beginning	<u>1,886,889</u>	<u>1,886,889</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 263,833</u></u>	<u><u>\$ 738,226</u></u>	<u><u>\$ 474,393</u></u>

BREVARD COUNTY, FLORIDA
EDUCATION IMPACT FEES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 15,700,580	\$ 14,908,635	\$ (791,945)
EXPENDITURES			
Current:			
Intergovernmental	\$ 27,242,498	\$ 20,934,959	\$ 6,307,539
Debt service:			
Principal	83,095	0	83,095
Total expenditures	\$ 27,325,593	\$ 20,934,959	\$ 6,390,634
Deficiency of revenues under expenditures	\$ (11,625,013)	\$ (6,026,324)	\$ 5,598,689
OTHER FINANCING USES AND (USES)			
Transfers out	\$ (226,659)	\$ (143,038)	\$ 83,621
Capital related debt issued	997,669	0	(997,669)
Total other financing sources and uses	\$ 771,010	\$ (143,038)	\$ (914,048)
Net change in fund balances	\$ (10,854,003)	\$ (6,169,362)	\$ 4,684,641
Fund balances - beginning	11,909,847	11,909,847	0
Fund balances - ending	\$ 1,055,844	\$ 5,740,485	\$ 4,684,641

BREVARD COUNTY, FLORIDA
ENVIRONMENTALLY ENDANGERED LAND PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 3,581,567	\$ 3,295,455	\$ (286,112)
Charges for services	0	2,086	2,086
Miscellaneous revenues	85,472	135,065	49,593
Total revenues	<u>\$ 3,667,039</u>	<u>\$ 3,432,606</u>	<u>\$ (234,433)</u>
EXPENDITURES			
Current:			
Physical environment	<u>\$ 4,666,409</u>	<u>\$ 2,699,839</u>	<u>\$ 1,966,570</u>
Deficiency of revenues under expenditures	<u>\$ (999,370)</u>	<u>\$ 732,767</u>	<u>\$ 1,732,137</u>
OTHER FINANCING USES			
Transfers out	<u>\$ (177)</u>	<u>\$ (177)</u>	<u>\$ 0</u>
Net change in fund balances	<u>\$ (999,547)</u>	<u>\$ 732,590</u>	<u>\$ 1,732,137</u>
Fund balances - beginning	1,158,060	1,158,060	0
Increase in reserve for inventory of supplies	<u>0</u>	<u>11,627</u>	<u>11,627</u>
Fund balances - ending	<u><u>\$ 158,513</u></u>	<u><u>\$ 1,902,277</u></u>	<u><u>\$ 1,743,764</u></u>

BREVARD COUNTY, FLORIDA

GRANTS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 141,393	\$ 0	\$ (141,393)
Intergovernmental revenues	19,836,510	10,383,154	(9,453,356)
Miscellaneous revenues	128,675	391,698	263,023
Total revenues	<u>\$ 20,106,578</u>	<u>\$ 10,774,852</u>	<u>\$ (9,331,726)</u>
EXPENDITURES			
Current:			
General government	\$ 185,271	\$ 53,256	\$ 132,015
Public safety	1,593,991	943,438	650,553
Physical environment	2,072,105	1,155,470	916,635
Transportation	1,648,574	1,061,587	586,987
Economic environment	10,332,163	5,708,509	4,623,654
Human services	3,356,121	2,921,230	434,891
Culture and recreation	1,185,122	796,744	388,378
Total expenditures	<u>\$ 20,373,347</u>	<u>\$ 12,640,234</u>	<u>\$ 7,733,113</u>
Deficiency of revenues under expenditures	<u>\$ (266,769)</u>	<u>\$ (1,865,382)</u>	<u>\$ (1,598,613)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 1,325,498	\$ 1,073,356	\$ (252,142)
Transfers out	(300,000)	(300,000)	0
Total other financing sources and uses	<u>\$ 1,025,498</u>	<u>\$ 773,356</u>	<u>\$ (252,142)</u>
Net change in fund balances	<u>\$ 758,729</u>	<u>\$ (1,092,026)</u>	<u>\$ (1,850,755)</u>
Fund balances - beginning	<u>309,136</u>	<u>309,136</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 1,067,865</u></u>	<u><u>\$ (782,890)</u></u>	<u><u>\$ (1,850,755)</u></u>

BREVARD COUNTY, FLORIDA
RECORDS MODERNIZATION TRUST
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 1,624,954	\$ 2,101,549	\$ 476,595
Miscellaneous revenues	<u>25,000</u>	<u>181,002</u>	<u>156,002</u>
Total revenues	<u>\$ 1,649,954</u>	<u>\$ 2,282,551</u>	<u>\$ 632,597</u>
EXPENDITURES			
Current:			
General government	<u>\$ 6,437,850</u>	<u>\$ 4,265,495</u>	<u>\$ 2,172,355</u>
Deficiency of revenues under expenditures	<u>\$ (4,787,896)</u>	<u>\$ (1,982,944)</u>	<u>\$ 2,804,952</u>
Net change in fund balances	\$ (4,787,896)	\$ (1,982,944)	\$ 2,804,952
Fund balances - beginning	<u>5,922,033</u>	<u>5,922,033</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 1,134,137</u></u>	<u><u>\$ 3,939,089</u></u>	<u><u>\$ 2,804,952</u></u>

BREVARD COUNTY, FLORIDA
MENTAL HEALTH FACILITIES REFUNDING REVENUE BONDS, SERIES 1994A
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 175,000	\$ 131,379	\$ (43,621)
EXPENDITURES			
Debt service:			
Principal	\$ 295,000	\$ 130,000	\$ 165,000
Interest	37,400	29,123	8,277
Total expenditures	\$ 332,400	\$ 159,123	\$ 173,277
Deficiency of revenues under expenditures	\$ (157,400)	\$ (27,744)	\$ 129,656
Net change in fund balances	\$ (157,400)	\$ (27,744)	\$ 129,656
Fund balances - beginning	467,617	467,617	0
Fund balances - ending	\$ 310,217	\$ 439,873	\$ 129,656

BREVARD COUNTY, FLORIDA
TOURIST DEVELOPMENT TAX REVENUE REFUNDING BONDS, SERIES 2001
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 12,000	\$ 66,639	\$ 54,639
EXPENDITURES			
Debt service:			
Principal	\$ 585,000	\$ 585,000	\$ 0
Interest	194,145	184,130	10,015
Total expenditures	\$ 779,145	\$ 769,130	\$ 10,015
Deficiency of revenues under expenditures	\$ (767,145)	\$ (702,491)	\$ 64,654
OTHER FINANCING SOURCES			
Transfers in	\$ 779,145	\$ 777,844	\$ (1,301)
Net change in fund balances	\$ 12,000	\$ 75,353	\$ 63,353
Fund balances - beginning	1,206,505	1,206,505	0
Fund balances - ending	<u>\$ 1,218,505</u>	<u>\$ 1,281,858</u>	<u>\$ 63,353</u>

BREVARD COUNTY, FLORIDA
SALES TAX REVENUE BONDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 1,354	\$ 1,354
EXPENDITURES			
Debt service:			
Principal	\$ 4,968,850	\$ 4,968,850	\$ 0
Interest	2,601,647	2,599,334	2,313
Total expenditures	\$ 7,570,497	\$ 7,568,184	\$ 2,313
Deficiency of revenues under expenditures	\$ (7,570,497)	\$ (7,566,830)	\$ 3,667
OTHER FINANCING SOURCES			
Transfers in	\$ 7,570,497	\$ 8,133,799	\$ 563,302
Net change in fund balances	\$ 0	\$ 566,969	\$ 566,969
Fund balances - beginning	25,670	25,670	0
Fund balances - ending	\$ 25,670	\$ 592,639	\$ 566,969

BREVARD COUNTY, FLORIDA
COMMERCIAL PAPER NOTE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 194,954	\$ 82,315	\$ (112,639)
EXPENDITURES			
Debt service:			
Principal	\$ 992,055	\$ 840,000	\$ 152,055
Interest	235,881	176,565	59,316
Total expenditures	\$ 1,227,936	\$ 1,016,565	\$ 211,371
Deficiency of revenues under expenditures	\$ (1,032,982)	\$ (934,250)	\$ 98,732
OTHER FINANCING SOURCES			
Transfers in	\$ 914,073	\$ 882,871	\$ (31,202)
Capital related debt issued	7,000	0	(7,000)
Total other financing sources	\$ 921,073	\$ 882,871	\$ (38,202)
Net change in fund balances	\$ (111,909)	\$ (51,379)	\$ 60,530
Fund balances - beginning	135,174	135,174	0
Fund balances - ending	\$ 23,265	\$ 83,795	\$ 60,530

BREVARD COUNTY, FLORIDA
LIMITED AD VALOREM TAX BONDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 17,054,436	\$ 16,329,633	\$ (724,803)
Miscellaneous revenues	<u>235,720</u>	<u>1,025,125</u>	<u>789,405</u>
Total revenues	<u>\$ 17,290,156</u>	<u>\$ 17,354,758</u>	<u>\$ 64,602</u>
EXPENDITURES			
Debt service:			
Principal	\$ 9,170,000	\$ 9,170,000	\$ 0
Interest	<u>8,193,818</u>	<u>8,077,351</u>	<u>116,467</u>
Total expenditures	<u>\$ 17,363,818</u>	<u>\$ 17,247,351</u>	<u>\$ 116,467</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (73,662)</u>	<u>\$ 107,407</u>	<u>\$ 181,069</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 491,852	\$ 373,740	\$ (118,112)
Transfers out	(1,572,503)	(1,543,538)	28,965
Capital related debt issued	<u>0</u>	<u>1,148,187</u>	<u>1,148,187</u>
Total other financing sources and uses	<u>\$ (1,080,651)</u>	<u>\$ (21,611)</u>	<u>\$ 1,059,040</u>
Net change in fund balances	\$ (1,154,313)	\$ 85,796	\$ 1,240,109
Fund balances - beginning	<u>9,597,779</u>	<u>9,597,779</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 8,443,466</u></u>	<u><u>\$ 9,683,575</u></u>	<u><u>\$ 1,240,109</u></u>

BREVARD COUNTY, FLORIDA
 SECOND GUARANTEED ENTITLEMENT BONDS, SERIES 1996
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 667,644	\$ 635,070	\$ (32,574)
Miscellaneous revenues	16,000	21,321	5,321
Total revenues	<u>\$ 683,644</u>	<u>\$ 656,391</u>	<u>\$ (27,253)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 240,000	\$ 240,000	\$ 0
Interest	156,571	154,658	1,913
Total expenditures	<u>\$ 396,571</u>	<u>\$ 394,658</u>	<u>\$ 1,913</u>
Excess of revenues over expenditures	<u>\$ 287,073</u>	<u>\$ 261,733</u>	<u>\$ (25,340)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 3,600	\$ 3,600
Transfers out	(26,550)	(25,721)	829
Total other financing sources and uses	<u>\$ (26,550)</u>	<u>\$ (22,121)</u>	<u>\$ 4,429</u>
Net change in fund balances	<u>\$ 260,523</u>	<u>\$ 239,612</u>	<u>\$ (20,911)</u>
Fund balances - beginning	358,633	358,633	0
Fund balances - ending	<u><u>\$ 619,156</u></u>	<u><u>\$ 598,245</u></u>	<u><u>\$ (20,911)</u></u>

BREVARD COUNTY, FLORIDA
PARKS AND RECREATIONAL FACILITIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 250,000	\$ 241,737	\$ (8,263)
Miscellaneous revenues	<u>3,172,766</u>	<u>3,615,102</u>	<u>442,336</u>
Total revenues	<u>\$ 3,422,766</u>	<u>\$ 3,856,839</u>	<u>\$ 434,073</u>
EXPENDITURES			
Capital outlay	<u>\$ 58,570,319</u>	<u>\$ 18,409,567</u>	<u>\$ 40,160,752</u>
Deficiency of revenues under expenditures	<u>\$ (55,147,553)</u>	<u>\$ (14,552,728)</u>	<u>\$ 40,594,825</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 200,000	\$ 900,000	\$ 700,000
Transfers out	(28,478)	(28,478)	0
Capital related debt issued	4,950,000	83,426,813	78,476,813
Bond premium	<u>0</u>	<u>3,012,000</u>	<u>3,012,000</u>
Total other financing sources and uses	<u>\$ 5,121,522</u>	<u>\$ 87,310,335</u>	<u>\$ 82,188,813</u>
Special items			
Proceeds from sale of land	<u>\$ 0</u>	<u>\$ 994,725</u>	<u>\$ 994,725</u>
Net change in fund balances	\$ (50,026,031)	\$ 73,752,332	\$ 123,778,363
Fund balances - beginning	<u>16,962,637</u>	<u>16,962,637</u>	<u>0</u>
Fund balances - ending	<u><u>\$ (33,063,394)</u></u>	<u><u>\$ 90,714,969</u></u>	<u><u>\$ 123,778,363</u></u>

BREVARD COUNTY, FLORIDA
GENERAL GOVERNMENT FACILITIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 2,490,532	\$ 2,029	\$ (2,488,503)
Miscellaneous revenues	<u>513,260</u>	<u>754,865</u>	<u>241,605</u>
Total revenues	<u>\$ 3,003,792</u>	<u>\$ 756,894</u>	<u>\$ (2,246,898)</u>
EXPENDITURES			
Capital outlay	<u>\$ 23,900,327</u>	<u>\$ 11,430,085</u>	<u>\$ 12,470,242</u>
Deficiency of revenues under expenditures	<u>\$ (20,896,535)</u>	<u>\$ (10,673,191)</u>	<u>\$ 10,223,344</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 8,135,605	\$ 8,135,605	\$ 0
Transfers out	<u>(6,627)</u>	<u>(6,492)</u>	<u>135</u>
Total other financing sources and uses	<u>\$ 8,128,978</u>	<u>\$ 8,129,113</u>	<u>\$ 135</u>
Net change in fund balances	<u>\$ (12,767,557)</u>	<u>\$ (2,544,078)</u>	<u>\$ 10,223,479</u>
Fund balances - beginning	<u>12,915,714</u>	<u>12,915,714</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 148,157</u></u>	<u><u>\$ 10,371,636</u></u>	<u><u>\$ 10,223,479</u></u>

BREVARD COUNTY, FLORIDA
SPECIAL ASSESSMENT CONSTRUCTION PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 2,840	\$ 2,840
EXPENDITURES			
Capital outlay	\$ 97,486	\$ 39,342	\$ 58,144
Deficiency of revenues under expenditures	\$ (97,486)	\$ (36,502)	\$ 60,984
OTHER FINANCING SOURCES AND (USES)			
Transfers out	\$ (411,073)	\$ (411,073)	\$ 0
Capital related debt issued	40,500	0	(40,500)
Total other financing sources and uses	\$ (370,573)	\$ (411,073)	\$ (40,500)
Net change in fund balances	\$ (468,059)	\$ (447,575)	\$ 20,484
Fund balances - beginning	468,002	468,002	0
Fund balances - ending	\$ (57)	\$ 20,427	\$ 20,484

BREVARD COUNTY, FLORIDA
COUNTYWIDE LIBRARY PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 45,387	\$ 45,387
EXPENDITURES			
Capital outlay	\$ 342,576	\$ 2,546	\$ 340,030
Excess (deficiency) of revenues over (under) expenditures	\$ (342,576)	\$ 42,841	\$ 385,417
Net change in fund balances	\$ (342,576)	\$ 42,841	\$ 385,417
Fund balances - beginning	832,075	832,075	0
Fund balances - ending	\$ 489,499	\$ 874,916	\$ 385,417

BREVARD COUNTY, FLORIDA
ENVIRONMENTALLY ENDANGERED LAND PURCHASES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 509,819	\$ 0	\$ (509,819)
Miscellaneous revenues	<u>1,286,309</u>	<u>3,709,777</u>	<u>2,423,468</u>
Total revenues	<u>\$ 1,796,128</u>	<u>\$ 3,709,777</u>	<u>\$ 1,913,649</u>
EXPENDITURES			
Capital outlay	<u>\$ 72,083,969</u>	<u>\$ 9,352,647</u>	<u>\$ 62,731,322</u>
Deficiency of revenues under expenditures	<u>\$ (70,287,841)</u>	<u>\$ (5,642,870)</u>	<u>\$ 64,644,971</u>
Net change in fund balances	\$ (70,287,841)	\$ (5,642,870)	\$ 64,644,971
Fund balances - beginning	<u>70,375,982</u>	<u>70,375,982</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 88,141</u></u>	<u><u>\$ 64,733,112</u></u>	<u><u>\$ 64,644,971</u></u>

Nonmajor Enterprise Funds

Solid Waste Collection Services Fund - to account for service charge revenues and expenses associated with the provision of solid waste collection and recycling programs within the unincorporated areas of Brevard County.

Space Coast Area Transit Fund - to account for revenues and expenses associated with the provision of mass transit services, including the transportation of the handicapped and elderly, as provided in Chapter 427, Florida Statutes.

Brevard County Golf Courses Fund - to account for fees and expenses associated with the operation of Spessard Holland Golf Course, the Habitat Golf Course, and Savannahs at Sykes Creek Golf Course.

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2007

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 5,362,531	\$ 1,018,414
Accounts receivable (net of allowance for uncollectibles)	58,214	30,905
Accrued interest receivable	25,402	5,438
Due from other governmental units	773,155	528,446
Inventories	0	0
Total current assets	<u>\$ 6,219,302</u>	<u>\$ 1,583,203</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 0	\$ 228,520
Buildings and structures	0	1,707,031
Improvements to land	0	0
Improvements other than buildings	0	12,014
Machinery and equipment	0	13,991,649
Less accumulated depreciation	0	(11,062,206)
Construction in progress	0	50,376
Unamortized debt issue costs	0	0
Total noncurrent assets	<u>\$ 0</u>	<u>\$ 4,927,384</u>
Total assets	<u>\$ 6,219,302</u>	<u>\$ 6,510,587</u>
LIABILITIES		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 964,589	\$ 445,135
Due to other governmental units	0	365
Accrued interest payable	0	0
Accrued compensated absences	0	27,722
Revenue bonds	0	0
Capital leases payable	0	0
Total current liabilities (payable from current assets)	<u>\$ 964,589</u>	<u>\$ 473,222</u>
Noncurrent liabilities:		
Revenue bonds payable (net of unamortized discounts and deferred amount on refunding)	\$ 0	\$ 0
Capital leases payable	0	0
Accrued compensated absences	0	292,033
Total noncurrent liabilities	<u>\$ 0</u>	<u>\$ 292,033</u>
Total liabilities	<u>\$ 964,589</u>	<u>\$ 765,255</u>
NET ASSETS		
Invested in capital assets, net of related debt	\$ 0	\$ 4,927,384
Unrestricted	5,254,713	817,948
Total net assets	<u>\$ 5,254,713</u>	<u>\$ 5,745,332</u>

Activities - Enterprise Funds

<i>Brevard County Golf Courses</i>	<i>Total</i>
\$ 894,732	\$ 7,275,677
8,700	97,819
5,992	36,832
481,275	1,782,876
124,751	124,751
<u>\$ 1,515,450</u>	<u>\$ 9,317,955</u>
\$ 1,943,379	\$ 2,171,899
2,970,671	4,677,702
7,840,442	7,840,442
131,718	143,732
930,178	14,921,827
(6,237,075)	(17,299,281)
0	50,376
67,495	67,495
<u>\$ 7,646,808</u>	<u>\$ 12,574,192</u>
<u>\$ 9,162,258</u>	<u>\$ 21,892,147</u>
\$ 331,742	\$ 1,741,466
8,273	8,638
114,989	114,989
7,832	35,554
734,546	734,546
133,777	133,777
<u>\$ 1,331,159</u>	<u>\$ 2,768,970</u>
\$ 6,276,241	\$ 6,276,241
169,039	169,039
103,532	395,565
<u>\$ 6,548,812</u>	<u>\$ 6,840,845</u>
<u>\$ 7,879,971</u>	<u>\$ 9,609,815</u>
\$ 265,710	\$ 5,193,094
1,016,577	7,089,238
<u>\$ 1,282,287</u>	<u>\$ 12,282,332</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
Operating revenues:		
Service fees	\$ 11,004,361	\$ 1,871,672
Less cost of goods sold	0	0
Total operating revenues	<u>\$ 11,004,361</u>	<u>\$ 1,871,672</u>
Operating expenses:		
Wages and benefits	\$ 0	\$ 4,410,154
Repair, maintenance, and other services	10,421,632	1,881,609
Materials and supplies	0	2,298,146
Depreciation	0	1,582,438
Total operating expenses	<u>\$ 10,421,632</u>	<u>\$ 10,172,347</u>
Operating gain (loss)	<u>\$ 582,729</u>	<u>\$ (8,300,675)</u>
Nonoperating revenues (expenses):		
Income on investments	\$ 421,238	\$ 39,057
Interest expense	0	(9,831)
Miscellaneous revenue	317,560	8,152
Grants and matching funds	90,696	6,180,173
Gain on disposal of capital assets	0	109,385
Amortization of debt issue costs	0	0
Total nonoperating revenue (expense)	<u>\$ 829,494</u>	<u>\$ 6,326,936</u>
Income (loss) before contributions and transfers	<u>\$ 1,412,223</u>	<u>\$ (1,973,739)</u>
Capital contributions	\$ 0	\$ 57,706
Transfers in	0	1,507,012
Transfers out	(131,825)	0
Total contributions and transfers	<u>\$ (131,825)</u>	<u>\$ 1,564,718</u>
Change in net assets	<u>\$ 1,280,398</u>	<u>\$ (409,021)</u>
Net assets - beginning	3,974,315	6,154,353
Net assets - ending	<u><u>\$ 5,254,713</u></u>	<u><u>\$ 5,745,332</u></u>

Activities - Enterprise Funds

<i>Brevard County Golf Courses</i>	<i>Total</i>
\$ 3,427,365	\$ 16,303,398
(154,902)	(154,902)
<u>\$ 3,272,463</u>	<u>\$ 16,148,496</u>
\$ 1,041,721	\$ 5,451,875
2,882,296	15,185,537
39,147	2,337,293
446,487	2,028,925
<u>\$ 4,409,651</u>	<u>\$ 25,003,630</u>
<u>\$ (1,137,188)</u>	<u>\$ (8,855,134)</u>
\$ 101,542	\$ 561,837
(421,575)	(431,406)
692	326,404
220,841	6,491,710
85,547	194,932
(13,811)	(13,811)
<u>\$ (26,764)</u>	<u>\$ 7,129,666</u>
\$ (1,163,952)	\$ (1,725,468)
\$ 0	\$ 57,706
1,674,694	3,181,706
(570,167)	(701,992)
<u>\$ 1,104,527</u>	<u>\$ 2,537,420</u>
<u>\$ (59,425)</u>	<u>\$ 811,952</u>
1,341,712	11,470,380
<u><u>\$ 1,282,287</u></u>	<u><u>\$ 12,282,332</u></u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Nonmajor</u>
	<u>Solid Waste Collection Services</u>
Cash flows from operating activities:	
Cash receipts for service fees	\$ 10,999,617
Cash receipts from other sources	281,758
Cash payments to employees for services	0
Cash payments to suppliers for goods and services	(10,495,362)
Net cash used for operating activities	<u>\$ 786,013</u>
Cash flows from noncapital financing activities:	
Grant receipts	\$ 52,901
Transfers in	0
Transfers out	(131,825)
Interfund loans	0
Net cash flows provided by (used for) noncapital financing activities	<u>\$ (78,924)</u>
Cash flows from capital and related financing activities:	
Principal payments	\$ 0
Interest payments	0
Capital grant receipts	0
Payments to acquire, construct, or improve fixed assets	0
Proceeds from disposal of capital assets	0
Net cash flows provided by (used for) capital and related financing activities	<u>\$ 0</u>
Cash flows from investing activities:	
Interest on investments	\$ 420,898
Net increase (decrease) in cash and cash equivalents	\$ 1,127,987
Cash and cash equivalents, October 1, 2006	4,234,544
Cash and cash equivalents, September 30, 2007	<u>\$ 5,362,531</u>
Reconciliation of operating income (loss) to net cash flows from operating activities	
Operating income (loss)	<u>\$ 582,729</u>
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation expense	\$ 0
Bad debt expense	0
Miscellaneous revenue	317,560
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(42,440)
(Increase) decrease in due from other governmental units	(49,707)
(Increase) decrease in inventory of supplies	0
(Increase) decrease in allowance for uncollectibles	0
Increase (decrease) in accrued compensated absences	0
Increase (decrease) in vouchers & contracts payable	(22,129)
Increase (decrease) in wages payable	0
Increase (decrease) in due to other governmental units	0
Total adjustment	<u>\$ 203,284</u>
Net cash used for operating activities	<u>\$ 786,013</u>

Business-type Activities - Enterprise Funds

<i>Space Coast Area Transit</i>	<i>Brevard County Golf Courses</i>	<i>Total</i>
\$ 1,621,051	\$ 3,442,969	\$ 16,063,637
9,413	0	291,171
(4,463,985)	(1,054,442)	(5,518,427)
(4,020,747)	(3,163,564)	(17,679,673)
<u>\$ (6,854,268)</u>	<u>\$ (775,037)</u>	<u>\$ (6,843,292)</u>
\$ 6,234,493	\$ 275,985	\$ 6,563,379
1,507,012	1,674,694	3,181,706
0	(570,167)	(701,992)
(377,000)	0	(377,000)
<u>\$ 7,364,505</u>	<u>\$ 1,380,512</u>	<u>\$ 8,666,093</u>
\$ 0	\$ (839,051)	\$ (839,051)
(9,831)	(360,330)	(370,161)
57,706	0	57,706
(79,475)	(15,002)	(94,477)
113,145	86,786	199,931
<u>\$ 81,545</u>	<u>\$ (1,127,597)</u>	<u>\$ (1,046,052)</u>
\$ 36,154	\$ 83,404	\$ 540,456
\$ 627,936	\$ (438,718)	\$ 1,317,205
390,478	1,333,450	5,958,472
<u>\$ 1,018,414</u>	<u>\$ 894,732</u>	<u>\$ 7,275,677</u>
\$ (8,300,675)	\$ (1,137,188)	\$ (8,855,134)
\$ 1,582,438	\$ 446,487	\$ 2,028,925
0	42	42
8,152	547	326,259
(13,550)	5,712	(50,278)
(169,516)	0	(219,223)
0	(10,822)	(10,822)
317	0	317
594	1,402	1,996
93,437	(66,771)	4,537
(55,699)	(13,967)	(69,666)
234	(479)	(245)
<u>\$ 1,446,407</u>	<u>\$ 362,151</u>	<u>\$ 2,011,842</u>
<u>\$ (6,854,268)</u>	<u>\$ (775,037)</u>	<u>\$ (6,843,292)</u>



Internal Service Funds

Information Systems Fund - to account for service charge revenues and expenses associated with the provision of data processing support, telephone and other communication equipment for the various departments and agencies of Brevard County.

Risk Management Fund - to account for the premiums and claims associated with the provision of self-insured and fully insured programs for the various departments and agencies of Brevard County.

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2007

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
ASSETS			
Current assets:			
Cash	\$ 2,349,321	\$ 44,370,900	\$ 46,720,221
Cash with escrow and paying agent	0	672,220	672,220
Accounts receivable	126,320	268,131	394,451
Accrued interest receivable	4,165	190,338	194,503
Due from other governmental units	0	693,812	693,812
Prepaid items	0	2,248,165	2,248,165
Total current assets	<u>\$ 2,479,806</u>	<u>\$ 48,443,566</u>	<u>\$ 50,923,372</u>
Noncurrent assets:			
Capital assets:			
Machinery and equipment	\$ 4,855,287	\$ 106,316	\$ 4,961,603
Less accumulated depreciation	<u>(2,640,247)</u>	<u>(71,433)</u>	<u>(2,711,680)</u>
Total capital assets (net of accumulated depreciation)	<u>\$ 2,215,040</u>	<u>\$ 34,883</u>	<u>\$ 2,249,923</u>
Total assets	<u>\$ 4,694,846</u>	<u>\$ 48,478,449</u>	<u>\$ 53,173,295</u>
LIABILITIES			
Current liabilities:			
Vouchers and contracts payable	\$ 518,490	\$ 2,352,099	\$ 2,870,589
Claims payable	0	10,443,450	10,443,450
Due to other governmental units	4,400	0	4,400
Accrued compensated absences	19,828	12,438	32,266
Total current liabilities	<u>\$ 542,718</u>	<u>\$ 12,807,987</u>	<u>\$ 13,350,705</u>
Noncurrent liabilities:			
Claims payable	\$ 0	\$ 4,741,826	\$ 4,741,826
Notes payable	56,000	0	56,000
Accrued compensated absences	177,868	110,963	288,831
Total noncurrent liabilities	<u>\$ 233,868</u>	<u>\$ 4,852,789</u>	<u>\$ 5,086,657</u>
Total liabilities	<u>\$ 776,586</u>	<u>\$ 17,660,776</u>	<u>\$ 18,437,362</u>
NET ASSETS			
Invested in capital assets, net of related debt	\$ 2,159,040	\$ 34,883	\$ 2,193,923
Unrestricted	<u>1,759,220</u>	<u>30,782,790</u>	<u>32,542,010</u>
Total net assets	<u>\$ 3,918,260</u>	<u>\$ 30,817,673</u>	<u>\$ 34,735,933</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
Operating revenues:			
Service fees	\$ 8,198,470	\$ 59,225,033	\$ 67,423,503
Operating expenses:			
Wages and benefits	\$ 2,358,529	\$ 1,122,502	\$ 3,481,031
Repair, maintenance, and other services	4,762,540	10,252,947	15,015,487
Materials and supplies	94,075	42,013	136,088
Depreciation	598,690	10,142	608,832
Insurance claims expense	0	45,485,046	45,485,046
Total operating expenses	\$ 7,813,834	\$ 56,912,650	\$ 64,726,484
Operating income (loss)	\$ 384,636	\$ 2,312,383	\$ 2,697,019
Nonoperating revenues (expenses):			
Income on investments	\$ 66,409	\$ 2,103,708	\$ 2,170,117
Gain (loss) on disposal of capital assets	(22,715)	(495)	(23,210)
Miscellaneous revenue	246	2,186,846	2,187,092
Interest expense	(2,632)	0	(2,632)
Total nonoperating revenues (expenses)	\$ 41,308	\$ 4,290,059	\$ 4,331,367
Income (loss) before contribution	\$ 425,944	\$ 6,602,442	\$ 7,028,386
Capital contribution	84,010	0	84,010
Change in net assets	\$ 509,954	\$ 6,602,442	\$ 7,112,396
Net assets - beginning	\$ 3,408,306	\$ 25,852,960	\$ 29,261,266
Cumulative effect in prior years of accounting error	0	(1,637,729)	(1,637,729)
Net assets - beginning, restated	\$ 3,408,306	\$ 24,215,231	\$ 27,623,537
Net assets - ending	\$ 3,918,260	\$ 30,817,673	\$ 34,735,933

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
Cash flows from operating activities:			
Cash receipts for service fees	\$ 8,257,268	\$ 58,396,252	\$ 66,653,520
Cash receipts from other sources	0	2,326,608	2,326,608
Cash payments to employees for services	(2,421,011)	(636,522)	(3,057,533)
Cash payments to suppliers for goods and services	(4,534,932)	(10,080,076)	(14,615,008)
Cash payments for insurance claims	0	(43,233,197)	(43,233,197)
Net cash provided by operating activities	<u>\$ 1,301,325</u>	<u>\$ 6,773,065</u>	<u>\$ 8,074,390</u>
Cash flows from noncapital financing activities:			
Interfund loans	\$ 0	\$ 400,000	\$ 400,000
Net cash flows provided by noncapital and related financing activities	<u>\$ 0</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>
Cash flows from capital and related financing activities:			
Principal payments	\$ (56,000)	\$ 0	\$ (56,000)
Interest payments	(2,632)	0	(2,632)
Proceeds from sale of capital assets	5,995	63	6,058
Payments to acquire, construct, or improve fixed assets	<u>(332,581)</u>	<u>(4,123)</u>	<u>(336,704)</u>
Net cash flows used for capital and related financing activities	<u>\$ (385,218)</u>	<u>\$ (4,060)</u>	<u>\$ (389,278)</u>
Cash flows from investing activities:			
Interest on investments	<u>\$ 70,013</u>	<u>\$ 2,049,679</u>	<u>\$ 2,119,692</u>
Net increase (decrease) in cash and cash equivalents	\$ 986,120	\$ 9,218,684	\$ 10,204,804
Cash and cash equivalents, October 1, 2006	<u>1,363,201</u>	<u>35,824,436</u>	<u>37,187,637</u>
Cash and cash equivalents, September 30, 2007	<u><u>\$ 2,349,321</u></u>	<u><u>\$ 45,043,120</u></u>	<u><u>\$ 47,392,441</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	<u>\$ 384,636</u>	<u>\$ 2,312,383</u>	<u>\$ 2,697,019</u>
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	\$ 598,690	\$ 10,142	\$ 608,832
Miscellaneous revenues	246	2,186,846	2,187,092
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	78,658	(165,586)	(86,928)
(Increase) decrease in due from other governmental units	57,219	(488,308)	(431,089)
(Increase) decrease in prepaid items	0	571,852	571,852
Increase (decrease) in vouchers and contracts payable	248,757	(1,156,659)	(907,902)
Increase (decrease) in insurance claims	0	3,517,219	3,517,219
Increase (decrease) in wages payable	(16,240)	(15,555)	(31,795)
Increase (decrease) in accrued compensated absences	<u>(50,641)</u>	<u>731</u>	<u>(49,910)</u>
Total adjustments	<u>\$ 916,689</u>	<u>\$ 4,460,682</u>	<u>\$ 5,377,371</u>
Net cash provided by operating activities	<u><u>\$ 1,301,325</u></u>	<u><u>\$ 6,773,065</u></u>	<u><u>\$ 8,074,390</u></u>

Agency Funds

Board Agency Fund - to account for assets held by the Brevard County Board of County Commissioners as trustee or agent.

Sheriff Agency Fund - to account for assets held by the Brevard County Sheriff as trustee or agent.

Clerk Agency Fund - to account for assets held by the Brevard County Clerk of the Circuit Court as trustee or agent.

Tax Collector Agency Fund - to account for assets held by the Brevard County Tax Collector as trustee or agent.

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2007

	<i>Board Agency Funds</i>	<i>Sheriff Agency Funds</i>
ASSETS		
Cash	\$ 1,795,867	\$ 125,546
Investments	0	0
Accounts receivable	0	720
Assessments, current	2,580	0
Accrued interest receivable	7,618	0
Due from other governmental units	0	0
Total assets	<u>\$ 1,806,065</u>	<u>\$ 126,266</u>
LIABILITIES		
Due to employees, individuals, and others	\$ 265,237	\$ 126,266
Due to other governmental units	30,791	0
Escrow and refundable deposits	1,510,037	0
Total liabilities	<u>\$ 1,806,065</u>	<u>\$ 126,266</u>

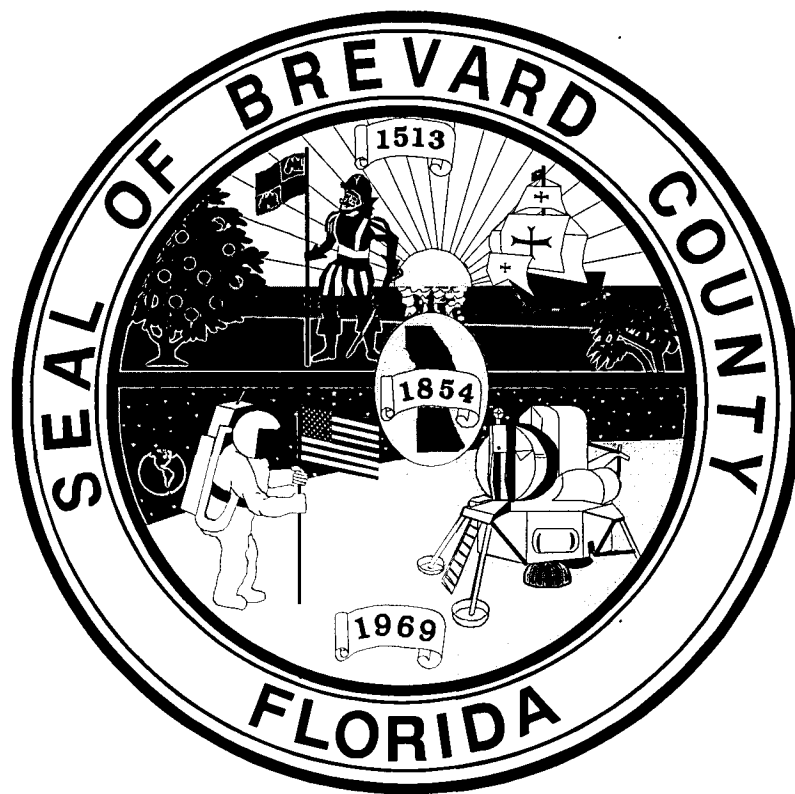
<i>Clerk Agency Funds</i>	<i>Tax Collector Agency Funds</i>	<i>Total</i>
\$ 15,025,766	\$ 8,757,325	\$ 25,704,504
1,604,423	0	1,604,423
164,901	124,923	290,544
0	0	2,580
0	0	7,618
49,048	0	49,048
<u>\$ 16,844,138</u>	<u>\$ 8,882,248</u>	<u>\$ 27,658,717</u>
\$ 811,687	\$ 7,905,035	\$ 9,108,225
2,505,995	977,213	3,513,999
13,526,456	0	15,036,493
<u>\$ 16,844,138</u>	<u>\$ 8,882,248</u>	<u>\$ 27,658,717</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Balance Oct. 1, 2006</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance Sept. 30, 2007</i>
<u>Board Agency</u>				
ASSETS:				
Cash	\$ 1,374,208	\$ 2,351,622	\$ 1,929,963	\$ 1,795,867
Assessments receivable	2,580	0	0	2,580
Interest receivable	7,554	7,618	7,554	7,618
TOTAL ASSETS	<u>\$ 1,384,342</u>	<u>\$ 2,359,240</u>	<u>\$ 1,937,517</u>	<u>\$ 1,806,065</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 152,954	\$ 136,969	\$ 24,686	\$ 265,237
Due to other governmental units	11,681	26,256	7,146	30,791
Escrow and refundable deposits	1,219,707	2,617,739	2,327,409	1,510,037
TOTAL LIABILITIES	<u>\$ 1,384,342</u>	<u>\$ 2,780,964</u>	<u>\$ 2,359,241</u>	<u>\$ 1,806,065</u>
<u>Sheriff Agency</u>				
ASSETS:				
Cash	\$ 64,015	\$ 2,847,772	\$ 2,786,241	\$ 125,546
Accounts receivable	0	720	0	720
TOTAL ASSETS	<u>\$ 64,015</u>	<u>\$ 2,848,492</u>	<u>\$ 2,786,241</u>	<u>\$ 126,266</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 64,015	\$ 2,848,492	\$ 2,786,241	\$ 126,266
TOTAL LIABILITIES	<u>\$ 64,015</u>	<u>\$ 2,848,492</u>	<u>\$ 2,786,241</u>	<u>\$ 126,266</u>
<u>Clerk Agency</u>				
ASSETS:				
Cash	\$ 16,450,504	\$ 118,692,041	\$ 120,116,779	\$ 15,025,766
Investments	1,529,772	81,629	6,978	1,604,423
Accounts receivable	57,536	11,822,413	11,715,048	164,901
Due from other governmental units	83,266	4,846,382	4,880,600	49,048
TOTAL ASSETS	<u>\$ 18,121,078</u>	<u>\$ 135,442,465</u>	<u>\$ 136,719,405</u>	<u>\$ 16,844,138</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 767,962	\$ 13,760,391	\$ 13,716,666	\$ 811,687
Due to other governmental units	3,683,827	86,665,970	87,843,802	2,505,995
Escrow and refundable deposits	13,669,289	35,016,104	35,158,937	13,526,456
TOTAL LIABILITIES	<u>\$ 18,121,078</u>	<u>\$ 135,442,465</u>	<u>\$ 136,719,405</u>	<u>\$ 16,844,138</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Balance Oct. 1, 2006</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance Sept. 30, 2007</i>
<u>Tax Collector Agency</u>				
ASSETS:				
Cash	\$ 7,527,194	\$ 795,326,252	\$ 794,096,121	\$ 8,757,325
Accounts receivable	115,886	19,710	10,673	124,923
Due from other governmental units	349	0	349	0
TOTAL ASSETS	<u>\$ 7,643,429</u>	<u>\$ 795,345,962</u>	<u>\$ 794,107,143</u>	<u>\$ 8,882,248</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 6,751,582	\$ 27,648,160	\$ 26,494,707	\$ 7,905,035
Due to other governmental units	891,847	767,697,802	767,612,436	977,213
TOTAL LIABILITIES	<u>\$ 7,643,429</u>	<u>\$ 795,345,962</u>	<u>\$ 794,107,143</u>	<u>\$ 8,882,248</u>
<u>TOTAL - ALL FIDUCIARY FUNDS</u>				
ASSETS:				
Cash	\$ 25,415,921	\$ 919,217,687	\$ 918,929,104	\$ 25,704,504
Investments	1,529,772	81,629	6,978	1,604,423
Accounts receivable	173,422	11,842,843	11,725,721	290,544
Assessments receivable	2,580	0	0	2,580
Interest receivable	7,554	7,618	7,554	7,618
Due from other governmental units	83,615	4,846,382	4,880,949	49,048
TOTAL ASSETS	<u>\$ 27,212,864</u>	<u>\$ 935,996,159</u>	<u>\$ 935,550,306</u>	<u>\$ 27,658,717</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 7,736,513	\$ 44,394,012	\$ 43,022,300	\$ 9,108,225
Due to other governmental units	4,587,355	854,390,028	855,463,384	3,513,999
Escrow and refundable deposits	14,888,996	37,633,843	37,486,346	15,036,493
TOTAL LIABILITIES	<u>\$ 27,212,864</u>	<u>\$ 936,417,883</u>	<u>\$ 935,972,030</u>	<u>\$ 27,658,717</u>



Component Units

North Brevard County Public Library District Fund - to account for the operations of a public library system in Brevard County, which was established pursuant to Chapter 69-869, Laws of Florida. The Library District is presented as a governmental fund type.

Merritt Island Redevelopment Agency Fund - to account for the collection of incremental taxes pursuant to Section 163.387, Florida Statutes, in accordance with Ordinance 89-28, as amended by 90-188, for the provision of community redevelopment. The Agency is presented as a governmental fund type.

Titusville - Cocoa Airport Authority Fund - to account for the operation of three general aviation airports in Brevard County pursuant to Chapter 63-1143, Special Acts of Florida. The Airport Authority is presented as a proprietary fund type.

Melbourne - Tillman Water Control District Fund - to account for revenues and expenses associated with the provision of a surface water management system within an area of South Brevard County pursuant to Chapter 86-418, Special Acts of Florida. The Water Control District is presented as a proprietary fund type.

Housing Finance Authority Fund - to account for the operating activities associated with the administration of the Brevard County Housing Finance Authority. The Housing Finance Authority is presented as a proprietary fund type.

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
SEPTEMBER 30, 2007

	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
ASSETS		
Cash and cash equivalents	\$ 6,362	\$ 3,900,356
Receivables:		
Receivables (net of allowance for uncollectibles)	0	0
Accrued interest receivable	0	16,946
Due from other governmental units	0	0
Inventory	0	0
Prepaid items	0	0
Deferred charges	0	0
Restricted assets:		
Capital assets:		
Land	0	0
Buildings and structures	0	0
Improvements to land	0	0
Improvements other than buildings	0	0
Machinery and equipment	0	0
Less accumulated depreciation	0	0
Construction in progress	0	0
Total assets	<u>\$ 6,362</u>	<u>\$ 3,917,302</u>
LIABILITIES		
Accounts payable	\$ 0	\$ 27,844
Accrued liabilities	0	0
Accrued wages and benefits payable	0	0
Advance payments	0	0
Deferred revenue	0	158,876
Noncurrent liabilities:		
Due within one year:		
Accrued compensated absences	0	0
Loans and leases payable	0	0
Due in more than one year:		
Loans and leases payable	0	0
Total liabilities	<u>\$ 0</u>	<u>\$ 186,720</u>
NET ASSETS		
Invested in capital assets (net of related debt)	\$ 0	\$ 0
Unrestricted	6,362	3,730,582
Total net assets	<u><u>\$ 6,362</u></u>	<u><u>\$ 3,730,582</u></u>

<i>Titusville- Cocoa Airport Authority</i>	<i>Melbourne- Tillman Water Control District</i>	<i>Housing Finance Authority</i>	<i>Total</i>
\$ 3,443,984	\$ 8,027,732	\$ 3,325,058	\$ 18,703,492
11,112	0	55,566	66,678
0	0	0	16,946
88,174	0	0	88,174
0	59,103	0	59,103
27,200	0	0	27,200
3,626	0	0	3,626
12,265,012	277,821	0	12,542,833
12,778,003	373,789	0	13,151,792
339,254	8,229,276	0	8,568,530
22,187,882	0	0	22,187,882
2,987,018	2,023,321	0	5,010,339
(17,441,709)	(7,990,406)	0	(25,432,115)
1,600,335	0	0	1,600,335
<u>\$ 38,289,891</u>	<u>\$ 11,000,636</u>	<u>\$ 3,380,624</u>	<u>\$ 56,594,815</u>
\$ 22,626	\$ 5,026	\$ 34,948	\$ 90,444
331,561	0	0	331,561
0	22,198	0	22,198
226,986	0	76,391	303,377
0	0	53,312	212,188
104,762	133,883	0	238,645
148,673	0	0	148,673
1,942,003	0	0	1,942,003
<u>\$ 2,776,611</u>	<u>\$ 161,107</u>	<u>\$ 164,651</u>	<u>\$ 3,289,089</u>
\$ 32,625,119	\$ 2,913,801	\$ 0	\$ 35,538,920
2,888,161	7,925,728	3,215,973	17,766,806
<u>\$ 35,513,280</u>	<u>\$ 10,839,529</u>	<u>\$ 3,215,973</u>	<u>\$ 53,305,726</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Functions/</i>	
	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
Expenses	\$ 17,887	\$ 523,499
Program revenues:		
Charges for services	\$ 5,080	\$ 0
Capital grants and contributions	0	0
Total program revenues	\$ 5,080	\$ 0
Net program revenue (expenses)	\$ (12,807)	\$ (523,499)
General revenues:		
Taxes:		
Ad valorem taxes	\$ 0	\$ 0
Others	0	1,439,035
Unrestricted investment earnings	0	0
Gain on sale of fixed assets	0	0
Miscellaneous	0	201,107
Return of capital grant contributions	0	0
Total general revenues	\$ 0	\$ 1,640,142
Changes in net assets	\$ (12,807)	\$ 1,116,643
Net assets - beginning	19,169	2,613,939
Net assets - ending	\$ 6,362	\$ 3,730,582

<div>Programs</div>			
<div>Titusville-Cocoa Airport Authority</div>	<div>Melbourne-Tillman Water Control District</div>	<div>Housing Finance Authority</div>	<div>Total</div>
<div>\$ 2,612,368</div>	<div>\$ 2,648,452</div>	<div>\$ 122,987</div>	<div>\$ 5,925,193</div>
<div>\$ 1,873,475</div> <div>\$ 1,169,657</div> <div>\$ 3,043,132</div>	<div>\$ 1,649,471</div> <div>0</div> <div>\$ 1,649,471</div>	<div>\$ 411,777</div> <div>0</div> <div>\$ 411,777</div>	<div>\$ 3,939,803</div> <div>1,169,657</div> <div>\$ 5,109,460</div>
<div>\$ 430,764</div>	<div>\$ (998,981)</div>	<div>\$ 288,790</div>	<div>\$ (815,733)</div>
<div>\$ 1,623</div> <div>0</div> <div>160,305</div> <div>0</div> <div>0</div> <div>(1,350,375)</div> <div>\$ (1,188,447)</div> <div>\$ (757,683)</div>	<div>\$ 0</div> <div>0</div> <div>450,953</div> <div>157,835</div> <div>0</div> <div>0</div> <div>\$ 608,788</div> <div>\$ (390,193)</div>	<div>\$ 0</div> <div>0</div> <div>174,208</div> <div>0</div> <div>0</div> <div>0</div> <div>\$ 174,208</div> <div>\$ 462,998</div>	<div>\$ 1,623</div> <div>1,439,035</div> <div>785,466</div> <div>157,835</div> <div>201,107</div> <div>(1,350,375)</div> <div>\$ 1,234,691</div> <div>\$ 418,958</div>
<div>36,270,963</div>	<div>11,229,722</div>	<div>2,752,975</div>	<div>52,886,768</div>
<div>\$ 35,513,280</div>	<div>\$ 10,839,529</div>	<div>\$ 3,215,973</div>	<div>\$ 53,305,726</div>



BREVARD COUNTY, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

Governmental funds capital assets:	
Land	\$ 170,552,592
Buildings and structures	188,427,411
Infrastructure	109,564,973
Improvements to land	24,398,526
Improvements other than buildings	16,130,966
Machinery and equipment	126,314,701
Construction in progress	77,718,731
Total governmental funds capital assets	<u>\$ 713,107,900</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above activities. Generally, the capital assets of the internal service funds are included as governmental activities in the statement of net assets.

BREVARD COUNTY, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION
SEPTEMBER 30, 2007

FUNCTION	<u>Land</u>	<u>Buildings and structures</u>	<u>Infrastructure</u>
General government	\$ 7,516,858	\$ 84,738,019	\$ 0
Public safety	457,765	11,194,872	0
Physical environment	43,303,141	4,055,526	5,652,898
Transportation	35,754,415	1,585,474	102,587,753
Economic environment	528,297	545,684	514,333
Human services	338,190	1,697,131	0
Culture and recreation	82,653,926	84,610,705	809,989
Total governmental funds capital assets	<u>\$ 170,552,592</u>	<u>\$ 188,427,411</u>	<u>\$ 109,564,973</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above activities. Generally, the capital assets of the internal service funds are included as governmental activities in the statement of net assets.

<i>Improvements to land</i>	<i>Improvements other than buildings</i>	<i>Machinery and equipment</i>	<i>Construction in progress</i>	<i>Total</i>
\$ 561,003	\$ 894,063	\$ 15,917,407	\$ 13,224,684	\$ 122,852,034
671,634	6,525	57,147,492	2,017,609	71,495,897
1,558,509	142,072	2,534,889	8,415,860	65,662,895
486,549	17,009	25,515,388	14,305,094	180,251,682
123,379	57,903	313,324	2,383,309	4,466,229
30,336	95,230	9,436,887	203,409	11,801,183
20,967,116	14,918,164	15,449,314	37,168,766	256,577,980
<u>\$ 24,398,526</u>	<u>\$ 16,130,966</u>	<u>\$ 126,314,701</u>	<u>\$ 77,718,731</u>	<u>\$ 713,107,900</u>

BREVARD COUNTY, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION
FOR THE YEAR ENDED SEPTEMBER 30, 2007

FUNCTION	<i>Governmental Funds Capital Assets Oct. 1, 2006</i>
General government	\$ 113,796,074
Public safety	60,883,974
Physical environment	55,305,435
Transportation	160,845,741
Economic environment	2,529,159
Human services	11,441,711
Culture and recreation	236,228,342
Total governmental funds capital assets	<u>\$ 641,030,436</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above activities. Generally, the capital assets of the internal service funds are included as governmental activities in the statement of net assets.

			<i>Governmental Funds Capital Assets Sept. 30, 2007</i>
<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	
\$ 14,609,943	\$ 1,365,093	\$ (4,188,890)	\$ 122,852,034
15,511,046	9,007,969	4,108,846	71,495,897
11,047,824	515,353	(175,011)	65,662,895
48,835,928	29,391,530	(38,457)	180,251,682
2,246,843	548,084	238,311	4,466,229
829,883	406,283	(64,128)	11,801,183
44,217,719	23,987,410	119,329	256,577,980
<u>\$ 137,299,186</u>	<u>\$ 65,221,722</u>	<u>\$ 0</u>	<u>\$ 713,107,900</u>



BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2007

TABLE 1
1 OF 7

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2007

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>Federal Expenditures</i>
PRIMARY GOVERNMENT				
DEPARTMENT OF TRANSPORTATION:				
FL90-X589		20.507	*	\$ 1,622,117
FL90-X558		20.507	*	819,455
FL90-X518		20.507	*	147,801
FL90-X494		20.507	*	17,651
FL90-X467		20.507	*	77,600
FL90-X433		20.507	*	56,690
Passed through the Florida Department of Transportation				
PL112 07/08, PL-0263(45)	414320-1-14-01, A-5064	20.205		205,332
PL112 06/07, PL-0263(44)	412445-1-14-01, A-5064	20.205		531,814
FL-80-X016	420635-1-14-16, AOJ53	20.505		150,388
Safe Routes to School Teacher Training	422284-1-84-01, AOP19	20.205		24,844
Micco Road Sidewalk	ANB04	20.205		66,868
Total Department of Transportation				<u>\$ 3,720,560</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
Community Development Block Grant (CDBG)	B05-UC-12-0011	14.218	*	\$ 2,323,054
HOME Investment Partnership Program	M05-DC-12-0200	14.239	*	984,423
Passed through the Florida Housing Finance Corporation				
HOME Again	HA04-724	14.239	*	41,639
Passed through the Department of Community Affairs				
Disaster Recovery Initiative (CDBG-DRI)	06DB-3C-06-15-01-W 04	14.228	*	2,250,736
Total Department of Housing and Urban Development				<u>\$ 5,599,852</u>
DEPARTMENT OF JUSTICE:				
Federal Asset Sharing	FL0050000	16.000		\$ 184,165
GREAT Grant	2006-JV-FX-0065	16.737		55,884
Federal JAG Transportation	2006-DJ-BX-0766	16.738		68,287
Safe Havens	2006-CW-AX-0011	16.527	*	107,063
Passed through the Florida Department of Law Enforcement				
Jail Transport	2007-JAGC-BREV-1-P3-007	16.738		130,963
Passed through the Florida Office of the Attorney General				
VOCA	V5101	16.575		310
VOCA	V6158	16.575		109,722
Total Department of Justice				<u>\$ 656,394</u>
DEPARTMENT OF THE TREASURY:				
Federal Asset Sharing	FL0050000	21.000		\$ 207,327
DEPARTMENT OF ENERGY:				
Passed through the Florida Department of Community Affairs				
Weatherization	06WX-6D-06-15-01-004	81.042		<u>\$ 18,930</u>

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2007

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>Federal Expenditures</i>
GENERAL SERVICES ADMINISTRATION:				
Passed through the Florida Bureau of Federal Property Assistance Federal Surplus Property Donation Program		39.003		\$ 9,193
DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
Passed through Florida Department of Community Affairs				
Low Income Energy Assistance (LIHEAP)	06EA-3M-06-15-01-003	93.568		\$ 344,514
Low Income Energy Assistance (LIHEAP)	07EA-6J-06-15-01-003	93.568		296,725
WAP-LIHEAP	06LH-5K-06-15-01-004	93.568		111,124
Community Action Agency (CSBG)	07SB-5Z-06-15-01-002	93.569	*	249,333
Passed through the Florida Department of Revenue				
Child Support Enforcement	CC305	93.563	*	295,714
Service of Process	CS605	93.563	*	26,611
Passed through the Florida Department of Children and Families				
Childcare Licensing Grant	GJG55	93.575		49,654
Childcare Licensing Grant	GJH55	93.575		9,438
Foster Care Beds at Country Acres				
Parental Home & Clothing (Country Acres)	RGC0604	93.658		110,697
Parental Home & Clothing (Country Acres)	RGC0704	93.658		33,690
Parental Home & Clothing (Country Acres)	RGC0604	93.667		97,924
Parental Home & Clothing (Country Acres)	RGC0704	93.667		19,091
Title IV-E Foster Care Reimbursement	89XOT	93.658		73,603
Developmental Disabilities Basic Support				
Disabilities Employee Initiative	RFP#2006-EM-4300	93.630		37,391
Passed through the Florida Department of State				
Division of Elections				
FY 05 Polling Place Accessibility Grant		93.617		1,567
Total Department of Health and Human Services				\$ 1,757,076
DEPARTMENT OF AGRICULTURE:				
Natural Resources Conservation Service				
Emergency Watershed Protection Program-Hurricane Wilma				
Margaret Street Seawall repair	69-4209-6-1652			\$ 32,310
Sisson Road Culvert repair	69-4209-6-1656			11,528
Passed through the Florida Department of Agriculture and Consumer Services				
Urban and Community Forestry Grant	010323/05H-18	10.664		1,838
Passed through the Florida Department of Education				
Summer Food Service Program	04-0614	10.559		51,669
School Breakfast/Lunch Program	01-221	10.555		16,753
Total Department of Agriculture				\$ 114,098
DEPARTMENT OF THE INTERIOR:				
Fish and Wildlife Service				
Caracara Bird Survey	401816G092	15.632		\$ 30,583

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2007

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>Federal Expenditures</i>
DEPARTMENT OF HOMELAND SECURITY:				
Major Disaster Relief				
Hurricane Frances	FEMA-DR-1545-FL	97.036		\$ 71,113
Hurricane Jeanne	FEMA-DR-1561-FL	97.036		202,319
Hurricane Wilma XF077	06-WL-&K-06-15-01-710	97.036		277,009
Passed through the Florida Department of Community Affairs				
WMD Haz Mat Equip. & Training (Subgrant with State Fire Marshall)	07DS-5N-13-00-16-217 (FM 246)	97.004		8,605
Emergency Management Preparedness and Assistance Grant (SLA)	07BG-04-06-15-01-439	97.042		61,170
Homeland Security Issue 08 (PTE)	07-DS-3W-06-15-01-085	97.067		29,000
Homeland Security Issue 27 (ETEAM)	07DS-5N-06-15-01-036	97.067		64,800
Passed through the Florida Department of Law Enforcement				
SWAT Deploy Vehicle	2006-SHSP-BREV-1-N9-057	97.004		110,000
SWAT/Bomb Equipment (LETP)	2006-LETP-BREV-1-N1-038	97.004		260,610
SWAT Deploy Vehicle	2007-SHSP-BREV-2-Q5-015	97.067		75,145
Total Department of Homeland Security				<u>\$ 1,159,771</u>
ELECTIONS ASSISTANCE COMMISSION:				
Passed through Department of State Division of Elections				
Poll Worker Training 05/06		90.401		\$ 38,231
Poll Worker Training 06/07		90.401		6,694
Voter Education		90.401		6,764
Total Elections Assistance Commission				<u>\$ 51,689</u>
INSTITUTE OF MUSEUM AND LIBRARY SERVICES:				
National Endowment for the Arts Arts Midwest				
The Big Read Grant	103000	45.024		<u>\$ 20,000</u>
DEPARTMENT OF COMMERCE:				
National Oceanic and Atmospheric Administration				
Coastal Impact Assistance Program	NA170Z2084	11.419		\$ 2,749
Brevard County Marine Turtle Hurricane Mitigation	2006-0114-0002	11.481		16,136
Total Department of Commerce				<u>\$ 18,885</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - PRIMARY GOVERNMENT				<u><u>\$ 13,364,358</u></u>

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2007

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>Federal Expenditures</i>
COMPONENT UNITS				
DEPARTMENT OF HOMELAND SECURITY:				
Major Disaster Relief				
Hurricane Jeanne		97.036		\$ 17,556
Hurricane Wilma		97.036		3,751
Total Department of Homeland Security				<u>\$ 21,307</u>
DEPARTMENT OF TRANSPORTATION:				
Federal Aviation Administration				
Improvement Program				
SC 9/27 Safety Areas	31200800172004	20.106		\$ 3,582
AD Runway Protection Zone	31201010112003	20.106		330,223
MI R/W & T/W Lights & Signs	31200103142005	20.106		367,398
MI R/W & T/W Lights & Signs	31200800162003	20.106		3,681
MI Master Plan	31200130152006	20.106		900
Total Department of Transportation				<u>\$ 705,784</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - COMPONENT UNITS				<u>\$ 727,091</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY				<u>\$ 14,091,449</u>

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2007

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>State Expenditures</i>
PRIMARY GOVERNMENT				
DEPARTMENT OF ENVIRONMENTAL PROTECTION:				
Leaking Underground Storage Tanks	GC-621	37.024	*	\$ 491,148
Brevard County Dune Restoration Project	H6BE1	37.065		4,176,408
Brevard County Beach Restoration Project	05BE1	37.003		360,681
South Brevard County Beach Restoration	07BE1	37.003		10,625
Brevard County North and South Reach Beach Restoration Project	07BE2	37.003		34,120
HAZARDOUS WASTE MANAGEMENT:				
Innovative Waste Reduction and Recycling	IG05-04	37.050		48,533
Innovative Waste Reduction and Recycling	IG8-19	37.050		5,000
Total Department of Environmental Protection				<u>\$ 5,126,515</u>
DEPARTMENT OF CHILDREN AND FAMILIES:				
Office of Homelessness				
Homeless Assistance Challenge	GFZG1	60.014		\$ 98,949
Homeless Housing Assistance Grant	GFZG3	60.015		105,000
Parental Home & Clothing (Country Acres)	RGC0604	60.094		217,136
Parental Home & Clothing (Country Acres)	RGC0704	60.094		59,518
Grant in Aid	GFG03	60.021		59,430
Total Department of Children and Families				<u>\$ 540,033</u>
DEPARTMENT OF COMMUNITY AFFAIRS:				
Hazardous Material Planning Assistance	07CP-11-06-15-01-059	52.023		\$ 9,488
Division of Emergency Management				
EOC Renovations Project	07CP-5M-06-15-01-430	52.010	*	457,416
Emergency Management Preparedness and Assistance Grant (EMPA)	07BG-04-06-15-01-439	52.008		102,959
Shelter Retrofit	07SR-4P-06-15-01-183	52.024	*	210,000
Total Department of Community Affairs				<u>\$ 779,863</u>
DEPARTMENT OF STATE:				
Division of Library and Information Services				
Library State Aid	07-ST-02	45.030		<u>\$ 703,122</u>
DEPARTMENT OF HEALTH:				
Emergency Medical Services County Trust	C1005	64.005		\$ 19,317
Emergency Medical Services County Trust	C2005	64.005		70,208
Emergency Medical Services County Trust	C3005	64.005		56,816
Total Department of Health				<u>\$ 146,341</u>
DEPARTMENT OF ELDER AFFAIRS:				
Community Care for the Elderly	CCP-SCAT-06-07	65.010		\$ 79,704
Community Care for the Elderly	CCP-SCAT-07-08	65.010		22,936
Total Department of Elder Affairs				<u>\$ 102,640</u>
DEPARTMENT OF AGRICULTURE & CONSUMER SERVICES:				
Mosquito Control	DACS 009606	42.003		<u>\$ 72,183</u>

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2007

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>State Expenditures</i>
DEPARTMENT OF TRANSPORTATION:				
Commuter Assistance	AOJ51	55.007		\$ 143,907
DOT BLOCK	AN105	55.010	*	1,275,310
Transportation Disadvantaged Planning Grant 06/07	AOF75	55.002		21,598
Transportation Disadvantaged Planning Grant 07/08	AOR68	55.002		7,372
Transportation Disadvantaged Grant 06/07	AO197	55.001	*	70,370
Transportation Disadvantaged Grant 06/07	AOF65	55.001	*	632,200
Transportation Disadvantaged Grant 07/08	AOT41	55.001	*	272,185
Airport Master Plan	AOD09	55.004		34,082
Operational and Maintenance Security Req	ANH22	55.004		89,788
Week-end Bus Service	AOO04	55.012		91,000
Evening Bus Service	AOO05	55.012		166,529
Transit Corridor Grant SR 520	AOE59	55.013		390,000
Fixed Route Bus Service SR A1A	AOE60	55.013		365,500
Total Department of Transportation				<u>\$ 3,559,841</u>
FLORIDA HOUSING FINANCE CORPORATION:				
Housing and Human Services Department				
State Housing Initiative Program Trust Fund	RESOLUTION 06-112	52.901	*	\$ 1,668,437
Hurricane Housing Recovery Program (HHRP)		52.902	*	4,416,636
Total Florida Housing Finance Corporation				<u>\$ 6,085,073</u>
FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION				
Derelict Vessel Program	FWC 06166	77.006		\$ 159,957
Boater Education Project	FWC 06173	77.027		9,939
Total Florida Fish and Wildlife Conservation Commission				<u>\$ 169,896</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - PRIMARY GOVERNMENT				<u><u>\$ 17,285,507</u></u>

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2007

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>State Expenditures</i>
COMPONENT UNITS				
DEPARTMENT OF TRANSPORTATION:				
Transportation Systems Development				
AO785 (SC Beacon)	414430	55.004		\$ 6,900
AO786 (AD Beacon)	409448	55.004		10,196
ANL64 (SC Infrastructure)	413151	55.004		21,729
AO227 (SC Security Project)	419117	55.004		5,974
AO278 (MI R/W & T/W Lights & Signs)	409457	55.004		15,068
Total Department of Transportation				<u>\$ 59,867</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - REPORTING ENTITY				<u>\$ 17,345,374</u>

* Designates major programs tested.

General:

The Schedule of Expenditures of Federal Financial Awards and State Financial Assistance presents the activity of all federal financial assistance programs of Brevard County, Florida. The reporting entity of Brevard County is defined in the notes to financial statements. The accounting policies, and presentation of the Single Audit Report, have been designed to conform to generally accepted accounting principles as applicable to governmental units. Conformance also includes the reporting and compliance requirements of the Audits of States, Local Governments, and Non-Profit Organizations, and Office of Management and Budget Circular A-133, Compliance Supplement (A-133).

Basis of Accounting:

The Schedule of Expenditures of Federal Financial Awards and State Financial Assistance is maintained on a modified accrual basis of accounting for Governmental Fund types except for donated items and the full accrual basis of accounting for the Proprietary Fund types which is described in the notes to financial statements.

BREVARD COUNTY, FLORIDA

**REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS,
THE SINGLE AUDIT ACT, AND
CHAPTER 10.600, RULES OF AUDITOR GENERAL**

**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**

**Report On Compliance With Requirements Applicable To Each Major
Program And On Internal Control Over Compliance In
Accordance With OMB Circular A-133 And With
The EOG State Projects Compliance Supplement**

Schedule Of Findings And Questioned Costs

Summary Schedule Of Prior Audit Findings

SEPTEMBER 30, 2007

The following component units, which are of various degrees of significance to the reporting entity of the Brevard County Board of County Commissioners, have been audited by other auditors:

**Titusville - Cocoa Airport Authority
Melbourne - Tillman Water Control District
Housing Finance Authority**

The separate auditors' report for these component units may be obtained directly from the appropriate entity.

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

**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**

Board of County Commissioners
Brevard County, Florida



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We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida as of and for the year ended September 30, 2007, which collectively comprise Brevard County, Florida's basic financial statements and have issued our report thereon dated March 21, 2008. Our report was modified to include a reference to other auditors. 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. Other auditors audited the financial statements of Titusville-Cocoa Airport Authority, Melbourne-Tillman Water Control District, and the Brevard County Housing Finance Authority, as described in our report on Brevard County, Florida's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Brevard County, Florida's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Brevard County, Florida's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Brevard County's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency 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 misstatements on a timely basis.

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying "Schedule of Findings and Questioned Costs" at item 07-1 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Brevard County, Florida'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*.

We noted certain matters that we reported to management of Brevard County, Florida in a separate letter dated March 21, 2008.

Brevard County's response to the finding identified in our audit is described in the accompanying "Schedule of Findings and Questioned Costs." We did not audit Brevard County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of County Commissioners of Brevard County, Florida, management and appropriate federal, state and other awarding agencies and is not intended to be and should not be used by anyone other than those specified parties.

March 21, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BERMAN HOPKINS WRIGHT & LAHAM

CPAS AND ASSOCIATES, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND WITH THE EOG STATE PROJECTS COMPLIANCE SUPPLEMENT

Board of County Commissioners
Brevard County, Florida

Compliance



We have audited the compliance of Brevard County, Florida, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the requirements described in the State of Florida's *Executive Office of the Governor's (EOG) State Projects Compliance Supplement* that are applicable to each of its major federal programs and state projects for the year ended September 30, 2007. Brevard County, Florida's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state projects is the responsibility of Brevard County, Florida's management. Our responsibility is to express an opinion on Brevard County, Florida's compliance based on our audit.

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Brevard County, Florida's basic financial statements include the operations of the Titusville-Cocoa Airport Authority, which received \$727,091 in federal awards and \$59,867 in state financial assistance that is included in the schedule during the year ended September 30, 2007. Our audit, described below, did not include the operations of the Titusville-Cocoa Airport Authority because the component unit engaged other auditors to perform an audit in accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General, State of Florida. Those standards, OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred.

An audit includes examining, on a test basis, evidence about Brevard County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Brevard County, Florida's compliance with those requirements.

In our opinion, Brevard County, Florida complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and state projects for the year ended September 30, 2007.

Internal Control Over Compliance

The management of Brevard County, Florida is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered Brevard County, Florida's internal control over compliance with requirements that could have a direct and material effect on a major federal program or state projects in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Brevard County, Florida's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program and state project on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program and state project such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program and state project that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program and state project will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of County Commissioners of Brevard County, Florida, management and appropriate federal, state, other awarding agencies and pass-entities through and is not intended to be and should not be used by anyone other than those specified parties.

March 21, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**BREVARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2007**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

- | | |
|--|-------------|
| 1. Type of auditors' report issued: | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | Yes |
| b. Significant deficiency(ies) identified
that are not considered to be
material weakness(es)? | No |
| 3. Noncompliance material to financial
statements noted? | No |

Federal Awards

- | | |
|---|-------------|
| 1. Type of auditors' report issued on compliance
for major programs: | Unqualified |
| 2. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified
that are not considered to be
material weakness(es)? | No |
| 3. Any audit findings disclosed that are required
to be reported in accordance with section
510(a) of Circular A-133? | No |
| 4. Dollar threshold used to distinguish between
type A and type B Programs | \$400,644 |
| 5. Auditee qualified as a low-risk auditee? | Yes |

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Program</u>
14.218	Department of Housing and Urban Development Community Development Block Grant
14.228	Department of Housing and Urban Development Disaster Recovery Initiative
14.239	Department of Housing and Urban Development HOME Investment Partnership Program

**BREVARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2007**

SECTION I - SUMMARY OF AUDITORS' RESULTS (continued)

Identification of major programs (continued):

<u>CFDA Number</u>	<u>Name of Program</u>
20.507	Department of Transportation Federal Transit
16.527	Department of Justice Supervised Visitations, Safe Havens for Children
93.563	Department of Health and Human Services Child Support Enforcement
93.569	Department of Health and Human Services Community Services Block Grant

State Financial Assistance

1. Type of auditors' report issued on compliance for major projects: Unqualified
2. Internal control over major projects:
 - a. Material weakness(es) identified? No
 - b. Significant deficiency(ies) identified that are not considered to be material weakness(es)? No
3. Any audit findings disclosed that are required to be reported under Rule 10.557? Yes
4. Dollar threshold used to distinguish between type A and type B Projects \$518,565

Identification of major projects:

<u>CSFA Number</u>	<u>Name of Project</u>
52.901	Department of Florida Housing Finance Corp State Housing Initiative Partnership Program
55.001	Department of Transportation Transportation Disadvantage Trip and Equipment
55.010	Department of Transportation Transit Block Grant

**BREVARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2007**

SECTION I - SUMMARY OF AUDITORS' RESULTS (continued)

Identification of major projects (continued):

<u>CSFA Number</u>	<u>Name of Project</u>
52.902	Florida Housing Finance Corp Hurricane Housing Recovery Program
37.024	Department of Environmental Protection Local Government Cleanup Contracting
52.010	Department of Community Affairs Local Emergency Management and Mitigation Initiatives
52.024	Department of Community Affairs Hurricane Shelter Retrofit Program

SECTION II - FINANCIAL STATEMENT FINDINGS

07-1 Revenue Recognition

Internal control material weakness

Criteria: Generally accepted accounting principles require revenue to be recognized under the modified accrual basis for governmental funds whereby revenues are recognized when they become both measurable and available to finance expenditures of the current period. The legal and contractual requirements of each revenue source affect the application of the modified accrual basis of accounting. In accordance with Statement on Auditing Standards No. 112 ("SAS 112") the significant prior period adjustments should be considered a material weakness because they have a material impact to the financial statements.

Condition: The current audit for the September 30, 2007 year end included material prior period adjustments associated with revenue recognition, some of which are identified as a material weakness, in accordance with SAS 112. There were certain items, which should have been detected in the processing and recording of financial information.

Context: During the year, the County's controls detected prior period misstatements of \$3,172,150 relating to the recognition of revenue from tax deed surplus monies. In prior years, these amounts were recognized as revenue when received. The Florida Statutes specify a two year period must pass before any unclaimed surplus deeds become the County's property. Accordingly, the County revised their accounting treatment to defer recognition of these funds until the two year period has expired.

**BREVARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2007**

SECTION II - FINANCIAL STATEMENT FINDINGS (continued)

Additionally, during our audit, we noted various instances where revenue was not recognized in the appropriate period and as a result, adjustments were proposed and posted. The majority of the adjustments related to the recognition of revenue in accordance with interlocal agreements. The County enters into interlocal agreements with various cities for joint funding of road projects. In previous years, such amounts were recognized as revenue when received. Upon further evaluation of the agreements, it was determined such amounts should have been recognized as earned in accordance with the agreements. Prior period adjustments of approximately \$467,000 were made to decrease fund balance to properly defer these revenues.

Effect: Entries proposed by the County and the auditor were required to properly report revenues for the year to correct prior period misstatements and current year revenues. Further, financial information reported in the past was not accurate, and it is possible that with accurate financial information the Board and Management may have made different decisions regarding the operation of the County.

Auditors' Recommendation: We recommend that the County perform a thorough review of all revenues received at year end to ensure proper recording and cut-off in accordance with generally accepted accounting principles. Specifically, the County should implement policies and procedures that ensure all relevant legal and contractual requirements are carefully researched and evaluated as they pertain to the recognition of revenue. It should be noted that the Finance department was able to identify and correct a majority of the adjustments contributing to this material weakness for the year ended September 30, 2007.

Views of responsible officials and planned corrective actions

As noted by the auditors, existing controls within the Finance department identified and corrected the misstatement of the tax deed surplus monies during fiscal year 2007. The revenue associated with the interlocal agreements are segregated within the County's financial accounting system and therefore these monies were not considered as part of the general operating funds of the Transportation Engineering department. The Finance department will incorporate, as part of its year end process, a thorough review of revenues to ensure proper revenue recognition. Included in such review will be communication to County departments to make them aware of the special accounting treatment necessary for any revenues received as part of interlocal agreements.

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS AND STATE PROJECTS

None reported.

SECTION IV - SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

None reported.

BERMAN HOPKINS
WRIGHT & LAHAM
CPAS AND ASSOCIATES, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

MANAGEMENT LETTER

Board of County Commissioners
Brevard County, Florida

We have audited the financial statements of Brevard County, Florida as of and for the fiscal year ended September 30, 2007, and have issued our report thereon dated March 21, 2008.



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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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Report on Internal Control over Financial Reporting and on Compliance and Other Matters, Report on Compliance With Requirements Applicable to Each Major Federal Program and State Project and on Internal Control Over Compliance, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 21, 2008 should be considered in conjunction with this management letter.

Our opinion on the financial statements, insofar as it relates to the Titusville-Cocoa Airport Authority, Melbourne-Tillman Water Control District, and Brevard County Housing Finance Authority, is based solely on the reports of other auditors. Accordingly, these component units are not covered by this letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and, unless otherwise required to be reported in the report on compliance and internal controls or schedule of findings and question costs, this letter is required to include the following information. As required by the Rules of the auditor General, we have performed separate audits of each of Brevard County's constitutional officers. The comments included in those separately issued reports should be considered in conjunction with this management letter.

The *Rules of the Auditor General* (Section 10.554(1)(i)1) require that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective action has been taken to address matters noted in preceding annual financial report.

The *Rules of the Auditor General* (Section 10.554(1)(i)2) requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that Brevard County, Florida complied with Section 218.415, Florida Statutes.

The *Rules of the Auditor General* (Section 10.554(1)(i)3) require that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, such matters are noted in the attachment to this letter "Management Recommendations from Current Year."

The *Rules of the Auditor General* (Section 10.554(1)(i)4) requires that we address violations of provisions of contracts and grant agreements or abuse that have as effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

The *Rules of the Auditor General* (Section 10.554(1)(i)5) requires, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred and would have an immaterial effect on the financial statements; (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies, including, but not limited to; (a) improper or inadequate accounting procedures (e.g. the omission of required disclosures from the annual financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we did not have any such findings.

The *Rules of the Auditor General* (Section 10.554(1)(i)6) 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 the management letter, unless disclosed in the notes to the financial statements. The Brevard County Board of County Commissioners and County Officers were originally established by the Constitution of the State of Florida, Article VIII, Section 1(e). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). Component units of Brevard County, Florida are disclosed in the notes to the financial statements.

As required by the *Rules of the Auditor General* (Section 10.554(1)(i)7.a.), a statement must be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Brevard County, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

As required by the *Rules of the Auditor General* (Section 10.554(1)(i)7.b.), we determined that the annual financial report for Brevard County, Florida for the fiscal year ended September 30, 2007, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2007.

As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)7.c. and 10.556(7)), we applied financial condition assessment procedures. In connection with our audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

This management letter 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.

March 21, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Brevard County, Florida

MANAGEMENT RECOMMENDATIONS FROM CURRENT YEAR

September 30, 2007

Accounts receivable reconciliation

Criteria: Accounts receivable reconciliations are a primary means for preventing or detecting an error or fraud in accounts and ensure proper valuation.

Condition: For the past few years, the County's general ledger accounts receivable balance has not agreed with the City of Melbourne's records for water and sewer collections by approximately \$160,000. The County attributes this difference to adjustments recorded by the City of Melbourne to adjust for a system error. In addition, an adjustment of approximately \$145,000 was recorded to the Barefoot Bay Water and Sewer District enterprise fund to correct an error made in previous years.

Effect: Reduced effectiveness in the reconciliation process by carrying unexplained variances in amounts recorded to subsidiary records.

Auditors' Recommendation: We recommend the County work with the City of Melbourne to resolve the difference and adjust the appropriate records. In addition, the County should develop procedures to ensure that all accounts are reconciled to subsidiary ledger detail and any reconciling differences are identified, researched, and resolved in a timely manner.



SCOTT ELLIS, Clerk of the Board, P.O. Box 1496, Titusville, FL 32781-1496
STEPHEN P. BURDETT, C.P.A., County Finance Director, (321) 637-2002, Fax (321) 264-5227
<http://www.brevardclerk.us/pages/finance.htm>

August 29, 2008

Berman Hopkins Wright & LaHam CPA's, LLP
8035 Spyglass Hill Road
Melbourne FL 32940

The following is Brevard County's response to the Management Recommendations.

Accounts Receivable Reconciliation

The \$145,000 adjustment made to the Barefoot Bay Water and Sewer accounts receivable was related to an error that occurred when the system was initially acquired by the County. It was an unusual item requiring a significant amount of research and as such fell outside the normal reconciling process.

Brevard County has actively sought resolution to the difference with the City of Melbourne since the entries were first included as part of Melbourne's monthly report through repeated requests asking for substantiation for the two specific entries that caused the variance. To date, the city has been unable to provide the requested documentation.

Brevard County does have procedures reconciling accounts to subsidiary ledger detail, which is why the City of Melbourne's unsubstantiated adjustment was revealed to the County. Accounts are reconciled monthly and differences, if any, are identified and adjusted on a regular basis. If the Board of County Commissioners accepts that the City of Melbourne cannot substantiate their adjustment and is willing to write it off as uncollectible, Finance will adjust the records.

Sincerely,

A handwritten signature in black ink, appearing to be "Scott Ellis", written over a horizontal line.

Scott Ellis
Clerk of Courts

SHERIFF

BREVARD COUNTY SHERIFF

SEPTEMBER 30, 2007

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1
Fund Financial Statements:	3
Balance Sheet – Governmental Funds	4
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	8
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
General Fund	12
Special Law Enforcement District	13
Inmate Welfare	14
State Contraband	15
Law Enforcement Training Fund Second Dollar	16
Law Enforcement Training \$2.50 Fund	17
City of Cape Canaveral Law Enforcement	18
Port Canaveral Law Enforcement	19
Federal Forfeiture Department of Justice	20
Federal Forfeiture Department of Treasury	21
Crime Prevention Special Revenue Fund	22
Statement of Fiduciary Net Assets – Fiduciary Funds	23
Notes to the Special-Purpose Financial Statements	24
Combining of Funds Statement:	
Combining Statement of Fiduciary Net Assets – Fiduciary Funds	32
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	34
REPORT ON COMPLIANCE WITH FEDERAL EQUITABLE SHARING GUIDELINES	36
MANAGEMENT LETTER	37
MANAGEMENT RECOMMENDATION	39
MANAGEMENT'S RESPONSE	40



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INDEPENDENT AUDITORS' REPORT

The Honorable Jack Parker
Brevard County Sheriff
Brevard County, Florida



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We have audited the accompanying special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Sheriff as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Sheriff's special-purpose financial statements as listed in the table of contents. These financial statements are the responsibility of the Brevard County Sheriff's management. 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 special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation of the financial position of Brevard County, Florida and the result of its operations in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information the Brevard Count Sheriff, as of September 30, 2007, and the changes in financial position and, the respective budgetary comparison for the General, Special Law Enforcement District, Inmate Welfare, Contraband, Special Law Enforcement Training Fund Second Dollar, Special Law Enforcement Training \$2.50, City of Cape Canaveral Law Enforcement, Port Canaveral Law Enforcement, Federal Forfeiture Department of Justice, Federal Forfeiture Department of Treasury, and Crime Prevention for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated, July 15, 2008, on our consideration of the Brevard County Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the special-purpose financial statements that collectively comprise the Brevard County Sheriff's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining fund financial statements have been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, are fairly stated in all material respects in relation to the special-purpose financial statements taken as a whole.

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

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY

SHERIFF

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2007

BREVARD COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<u>General</u>	<u>Special Law Enforcement District</u>
ASSETS		
Cash	\$ 3,520,590	\$ 792,468
Accounts receivable	215,983	495
Due from other funds	38,503	0
Due from charter officers	185,267	173,969
Due from other governmental units	139,490	96,721
Inventory of supplies	735,560	0
Total assets	<u>\$ 4,835,393</u>	<u>\$ 1,063,653</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 574,361	\$ 26,455
Accrued wages and benefits payable	1,829,236	245,096
Due to other funds	0	0
Due to charter officers	1,589,232	695,852
Due to other governmental units	4,581	0
Deferred income	102,423	96,250
Total liabilities	<u>\$ 4,099,833</u>	<u>\$ 1,063,653</u>
Fund balances:		
Reserved for:		
Inventory	\$ 735,560	\$ 0
Unreserved	0	0
Total fund balances	<u>\$ 735,560</u>	<u>\$ 0</u>
Total liabilities and fund balances	<u>\$ 4,835,393</u>	<u>\$ 1,063,653</u>

The accompanying notes to the financial statements are an integral part of this statement.

<i>Inmate Welfare</i>	<i>Contraband</i>	<i>Special Law Enforcement Training Fund Second Dollar</i>	<i>Special Law Enforcement Training \$2.50 Fund</i>	<i>City of Cape Canaveral Law Enforcement</i>
\$ 1,250,844	\$ 432,951	\$ 0	\$ 185,937	\$ 179,669
65,324	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	8,512
0	0	0	0	0
<u>\$ 1,316,168</u>	<u>\$ 432,951</u>	<u>\$ 0</u>	<u>\$ 185,937</u>	<u>\$ 188,181</u>
\$ 46,484	\$ 176,265	\$ 0	\$ 4,976	\$ 4,412
0	0	0	0	39,291
0	0	0	0	0
0	60,357	0	180,961	0
0	0	0	0	137,603
0	196,329	0	0	6,875
<u>\$ 46,484</u>	<u>\$ 432,951</u>	<u>\$ 0</u>	<u>\$ 185,937</u>	<u>\$ 188,181</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
1,269,684	0	0	0	0
<u>\$ 1,269,684</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>\$ 1,316,168</u>	<u>\$ 432,951</u>	<u>\$ 0</u>	<u>\$ 185,937</u>	<u>\$ 188,181</u>

BREVARD COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<i>Port Canaveral Law Enforcement</i>	<i>Federal Forfeiture Department of Justice</i>
ASSETS		
Cash	\$ 0	\$ 61,775
Accounts receivable	0	0
Due from other funds	0	0
Due from charter officers	112,068	0
Due from other governmental units	0	0
Inventory of supplies	0	0
Total assets	\$ 112,068	\$ 61,775
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 1,808	\$ 0
Accrued wages and benefits payable	23,825	0
Due to other funds	38,503	0
Due to charter officers	0	0
Due to other governmental units	47,932	0
Deferred income	0	0
Total liabilities	\$ 112,068	\$ 0
Fund balances:		
Reserved for:		
Inventory	\$ 0	\$ 0
Unreserved	0	61,775
Total fund balances	\$ 0	\$ 61,775
Total liabilities and fund balances	\$ 112,068	\$ 61,775

The accompanying notes to the financial statements are an integral part of this statement.

<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>Total</i>
\$ 121,383	\$ 40,069	\$ 6,585,686
0	0	281,802
0	0	38,503
0	0	471,304
0	0	244,723
0	0	735,560
<u>\$ 121,383</u>	<u>\$ 40,069</u>	<u>\$ 8,357,578</u>
\$ 17,941	\$ 0	\$ 852,702
0	788	2,138,236
0	0	38,503
0	39,281	2,565,683
0	0	190,116
0	0	401,877
<u>\$ 17,941</u>	<u>\$ 40,069</u>	<u>\$ 6,187,117</u>
\$ 0	\$ 0	\$ 735,560
103,442	0	1,434,901
<u>\$ 103,442</u>	<u>\$ 0</u>	<u>\$ 2,170,461</u>
<u>\$ 121,383</u>	<u>\$ 40,069</u>	<u>\$ 8,357,578</u>

BREVARD COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>General</i>	<i>Special Law Enforcement District</i>
REVENUES		
Intergovernmental revenues	\$ 1,032,202	\$ 2,562
Charges for services	732,313	227,367
Fines and forfeits	0	0
Miscellaneous revenues	2,272,679	52,181
Total revenues	<u>\$ 4,037,194</u>	<u>\$ 282,110</u>
EXPENDITURES		
Public safety	\$ 75,573,284	\$ 14,472,285
Capital outlay	3,202,479	627,701
Total expenditures	<u>\$ 78,775,763</u>	<u>\$ 15,099,986</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (74,738,569)</u>	<u>\$ (14,817,876)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from charter officers	\$ 75,616,205	\$ 15,947,902
Transfers to charter officers	(941,617)	(1,150,365)
Transfers to other governmental units	0	0
Proceeds of the sale of capital assets	63,981	20,339
Total other financing sources and uses	<u>\$ 74,738,569</u>	<u>\$ 14,817,876</u>
Net change in fund balances	\$ 0	\$ 0
Fund balances - beginning	671,545	0
Increase in reserve for inventory of supplies	64,015	0
Fund balances - ending	<u><u>\$ 735,560</u></u>	<u><u>\$ 0</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

<i>Inmate Welfare</i>	<i>Contraband</i>	<i>Special Law Enforcement Training Fund Second Dollar</i>	<i>Special Law Enforcement Training \$2.50 Fund</i>	<i>City of Cape Canaveral Law Enforcement</i>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,363
0	0	0	0	16,747
0	0	0	0	0
960,026	0	0	0	9,833
<u>\$ 960,026</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 28,943</u>
\$ 795,620	\$ 169,610	\$ 210,321	\$ 77,114	\$ 2,357,090
17,562	304,162	0	0	145,063
<u>\$ 813,182</u>	<u>\$ 473,772</u>	<u>\$ 210,321</u>	<u>\$ 77,114</u>	<u>\$ 2,502,153</u>
<u>\$ 146,844</u>	<u>\$ (473,772)</u>	<u>\$ (210,321)</u>	<u>\$ (77,114)</u>	<u>\$ (2,473,210)</u>
\$ 0	\$ 501,045	\$ 210,321	\$ 258,075	\$ 2,605,233
0	(27,273)	0	(180,961)	0
0	0	0	0	(137,603)
0	0	0	0	5,580
<u>\$ 0</u>	<u>\$ 473,772</u>	<u>\$ 210,321</u>	<u>\$ 77,114</u>	<u>\$ 2,473,210</u>
\$ 146,844	\$ 0	\$ 0	\$ 0	\$ 0
1,122,840	0	0	0	0
0	0	0	0	0
<u>\$ 1,269,684</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

BREVARD COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Port Canaveral Law Enforcement</i>	<i>Federal Forfeiture Department of Justice</i>
REVENUES		
Intergovernmental revenues	\$ 0	\$ 0
Charges for services	0	0
Fines and forfeits	0	103,938
Miscellaneous revenues	0	17,039
Total revenues	<u>\$ 0</u>	<u>\$ 120,977</u>
EXPENDITURES		
Public safety	\$ 1,519,025	\$ 184,165
Capital outlay	112,068	0
Total expenditures	<u>\$ 1,631,093</u>	<u>\$ 184,165</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,631,093)</u>	<u>\$ (63,188)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from charter officers	\$ 1,676,990	\$ 0
Transfers to charter officers	0	0
Transfers to other governmental units	(47,932)	0
Proceeds of the sale of capital assets	2,035	0
Total other financing sources and uses	<u>\$ 1,631,093</u>	<u>\$ 0</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ (63,188)</u>
Fund balances - beginning	0	124,963
Increase in reserve for inventory of supplies	0	0
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 61,775</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>Total</i>
\$ 0	\$ 0	\$ 1,037,127
0	0	976,427
126,591	0	230,529
15,322	0	3,327,080
<u>\$ 141,913</u>	<u>\$ 0</u>	<u>\$ 5,571,163</u>
\$ 58,383	\$ 61,646	\$ 95,478,543
148,944	31,438	4,589,417
<u>\$ 207,327</u>	<u>\$ 93,084</u>	<u>\$ 100,067,960</u>
<u>\$ (65,414)</u>	<u>\$ (93,084)</u>	<u>\$ (94,496,797)</u>
\$ 0	\$ 132,365	\$ 96,948,136
0	(39,281)	(2,339,497)
0	0	(185,535)
<u>0</u>	<u>0</u>	<u>91,935</u>
<u>\$ 0</u>	<u>\$ 93,084</u>	<u>\$ 94,515,039</u>
\$ (65,414)	\$ 0	\$ 18,242
168,856	0	2,088,204
0	0	64,015
<u>\$ 103,442</u>	<u>\$ 0</u>	<u>\$ 2,170,461</u>

BREVARD COUNTY SHERIFF

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental revenues	\$ 147,463	\$ 1,394,666	\$ 1,032,202	\$ (362,464)
Charges for services	408,600	497,049	732,313	235,264
Miscellaneous revenues	1,011,000	1,786,309	2,272,679	486,370
Total revenues	<u>\$ 1,567,063</u>	<u>\$ 3,678,024</u>	<u>\$ 4,037,194</u>	<u>\$ 359,170</u>
EXPENDITURES				
Public safety	\$ 73,263,565	\$ 76,180,955	\$ 75,573,284	\$ 607,671
Capital outlay	1,814,835	3,543,384	3,202,479	340,905
Total expenditures	<u>\$ 75,078,400</u>	<u>\$ 79,724,339</u>	<u>\$ 78,775,763</u>	<u>\$ 948,576</u>
Deficiency of revenues under expenditures	<u>\$ (73,511,337)</u>	<u>\$ (76,046,315)</u>	<u>\$ (74,738,569)</u>	<u>\$ 1,307,746</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 73,211,337	\$ 75,850,025	\$ 75,616,205	\$ (233,820)
Transfers to charter officers	0	(103,710)	(941,617)	(837,907)
Transfers in	250,000	250,000	0	(250,000)
Proceeds of the sale of capital assets	50,000	50,000	63,981	13,981
Total other financing sources and uses	<u>\$ 73,511,337</u>	<u>\$ 76,046,315</u>	<u>\$ 74,738,569</u>	<u>\$ (1,307,746)</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	671,545	671,545	671,545	0
Increase in reserve for inventory of supplies	0	0	64,015	64,015
Fund balances - ending	<u>\$ 671,545</u>	<u>\$ 671,545</u>	<u>\$ 735,560</u>	<u>\$ 64,015</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF
SPECIAL LAW ENFORCEMENT DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental revenues	\$ 0	\$	\$ 2,562	\$ 2,562
Charges for services	382,956	382,956	227,367	(155,589)
Miscellaneous revenues	20,600	23,395	52,181	28,786
Total revenues	<u>\$ 403,556</u>	<u>\$ 406,351</u>	<u>\$ 282,110</u>	<u>\$ (124,241)</u>
EXPENDITURES				
Public safety	\$ 15,204,181	\$ 15,206,976	\$ 14,472,285	\$ 734,691
Capital outlay	533,780	666,002	627,701	38,301
Total expenditures	<u>\$ 15,737,961</u>	<u>\$ 15,872,978</u>	<u>\$ 15,099,986</u>	<u>\$ 772,992</u>
Deficiency of revenues under expenditures	<u>\$ (15,334,405)</u>	<u>\$ (15,466,627)</u>	<u>\$ (14,817,876)</u>	<u>\$ 648,751</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 15,834,405	\$ 15,966,627	\$ 15,947,902	\$ (18,725)
Transfers to charter officers	(510,000)	(510,000)	(1,150,365)	(640,365)
Proceeds of the sale of capital assets	10,000	10,000	20,339	10,339
Total other financing sources and uses	<u>\$ 15,334,405</u>	<u>\$ 15,466,627</u>	<u>\$ 14,817,876</u>	<u>\$ (648,751)</u>
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF

INMATE WELFARE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous revenues	\$ 900,000	\$ 900,000	\$ 960,026	\$ 60,026
Total revenues	\$ 900,000	\$ 900,000	\$ 960,026	\$ 60,026
EXPENDITURES				
Public safety	\$ 900,000	\$ 900,000	\$ 795,620	\$ 104,380
Capital outlay	0	29,745	17,562	12,183
Total expenditures	\$ 900,000	\$ 929,745	\$ 813,182	\$ 116,563
Excess (deficiency) of revenues over (under) expenditures	\$ 0	\$ (29,745)	\$ 146,844	\$ 176,589
OTHER FINANCING SOURCES AND (USES)				
Transfers out	\$ (125,000)	\$ (250,000)	\$ 0	\$ 250,000
Total other financing sources and uses	\$ (125,000)	\$ (250,000)	\$ 0	\$ 250,000
Net change in fund balances	\$ (125,000)	\$ (279,745)	\$ 146,844	\$ 426,589
Fund balances - beginning	1,122,840	1,122,840	1,122,840	0
Fund balances - ending	\$ 997,840	\$ 843,095	\$ 1,269,684	\$ 426,589

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF

CONTRABAND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
EXPENDITURES				
Public safety	\$ 110,000	\$ 186,996	\$ 169,610	\$ 17,386
Intergovernmental	32,000	318,755	304,162	14,593
Total expenditures	\$ 142,000	\$ 505,751	\$ 473,772	\$ 31,979
Deficiency of revenues under expenditures	\$ (142,000)	\$ (505,751)	\$ (473,772)	\$ 31,979
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 142,000	\$ 505,751	\$ 501,045	\$ (4,706)
Transfers to charter officers	0	0	(27,273)	(27,273)
Total other financing sources and uses	\$ 142,000	\$ 505,751	\$ 473,772	\$ (31,979)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0	\$ 0

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF
SPECIAL LAW ENFORCEMENT TRAINING FUND SECOND DOLLAR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
EXPENDITURES				
Public safety	\$ 210,321	\$ 210,321	\$ 210,321	\$ 0
Deficiency of revenues under expenditures	\$ (210,321)	\$ (210,321)	\$ (210,321)	\$ 0
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 210,321	\$ 210,321	\$ 210,321	\$ 0
Transfers to charter officers	0	0	0	0
Total other financing sources and uses	\$ 210,321	\$ 210,321	\$ 210,321	\$ 0
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0	\$ 0

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF
SPECIAL LAW ENFORCEMENT TRAINING \$2.50 FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
EXPENDITURES				
Public safety	\$ 258,075	\$ 258,075	\$ 77,114	\$ 180,961
Deficiency of revenues under expenditures	\$ (258,075)	\$ (258,075)	\$ (77,114)	\$ 180,961
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 258,075	\$ 258,075	\$ 258,075	\$ 0
Transfers to charter officers	0	0	(180,961)	(180,961)
Total other financing sources and uses	\$ 258,075	\$ 258,075	\$ 77,114	\$ (180,961)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF
CITY OF CAPE CANAVERAL LAW ENFORCEMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts			Variance with final budget - Positive (Negative)
	Original	Final	Actual Amount	
REVENUES				
Intergovernmental revenues	\$ 0	\$ 0	\$ 2,363	\$ 2,363
Charges for services	0	26,341	16,747	(9,594)
Miscellaneous revenues	0	8,650	9,833	1,183
Total revenues	\$ 0	\$ 34,991	\$ 28,943	\$ (6,048)
EXPENDITURES				
Public safety	\$ 2,338,782	\$ 2,494,511	\$ 2,357,090	\$ 137,421
Capital outlay	149,300	171,350	145,063	26,287
Total expenditures	\$ 2,488,082	\$ 2,665,861	\$ 2,502,153	\$ 163,708
Deficiency of revenues under expenditures	\$ (2,488,082)	\$ (2,630,870)	\$ (2,473,210)	\$ 157,660
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 2,488,082	\$ 2,630,870	\$ 2,605,233	\$ (25,637)
Transfers to other governmental units	0	0	(137,603)	(137,603)
Proceeds of the sale of capital assets	0	0	5,580	5,580
Total other financing sources and uses	\$ 2,488,082	\$ 2,630,870	\$ 2,473,210	\$ (157,660)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0	\$ 0

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF
 PORT CANAVERAL LAW ENFORCEMENT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
EXPENDITURES				
Public safety	\$ 1,566,910	\$ 1,564,922	\$ 1,519,025	\$ 45,897
Capital outlay	128,250	119,800	112,068	7,732
Total expenditures	<u>\$ 1,695,160</u>	<u>\$ 1,684,722</u>	<u>\$ 1,631,093</u>	<u>\$ 53,629</u>
Deficiency of revenues under expenditures	<u>\$ (1,695,160)</u>	<u>\$ (1,684,722)</u>	<u>\$ (1,631,093)</u>	<u>\$ 53,629</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 1,695,160	\$ 1,684,722	\$ 1,676,990	\$ (7,732)
Transfers to other governmental units	0	0	(47,932)	(47,932)
Proceeds of the sale of capital assets	0	0	2,035	2,035
Total other financing sources and uses	<u>\$ 1,695,160</u>	<u>\$ 1,684,722</u>	<u>\$ 1,631,093</u>	<u>\$ (53,629)</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF
 FEDERAL FORFEITURE DEPARTMENT OF JUSTICE
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Fines and forfeits	\$ 0	\$ 0	\$ 103,938	\$ 103,938
Miscellaneous revenues	0	0	17,039	17,039
Total revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 120,977</u>	<u>\$ 120,977</u>
EXPENDITURES				
Public safety	\$ 0	\$ 0	\$ 184,165	\$ (184,165)
Capital outlay	0	0	0	0
Total expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 184,165</u>	<u>\$ (184,165)</u>
Deficiency of revenues under expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (63,188)</u>	<u>\$ (63,188)</u>
Net change in fund balances	\$ 0	\$ 0	\$ (63,188)	\$ (63,188)
Fund balances - beginning	<u>124,963</u>	<u>124,963</u>	<u>124,963</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 124,963</u></u>	<u><u>\$ 124,963</u></u>	<u><u>\$ 61,775</u></u>	<u><u>\$ (63,188)</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF
FEDERAL FORFEITURE DEPARTMENT OF TREASURY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Fines and forfeits	\$ 0	\$ 0	\$ 126,591	\$ 126,591
Miscellaneous revenues	0	0	15,322	15,322
Total revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 141,913</u>	<u>\$ 141,913</u>
EXPENDITURES				
Public safety	\$ 0	\$ 0	\$ 58,383	\$ (58,383)
Capital outlay	0	0	148,944	(148,944)
Total expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 207,327</u>	<u>\$ (207,327)</u>
Deficiency of revenues under expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (65,414)</u>	<u>\$ (65,414)</u>
Net change in fund balances	\$ 0	\$ 0	\$ (65,414)	\$ (65,414)
Fund balances - beginning	<u>168,856</u>	<u>168,856</u>	<u>168,856</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 168,856</u></u>	<u><u>\$ 168,856</u></u>	<u><u>\$ 103,442</u></u>	<u><u>\$ (65,414)</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF

CRIME PREVENTION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
EXPENDITURES				
Public safety	\$ 103,365	\$ 103,365	\$ 61,646	\$ 41,719
Capital outlay	29,000	29,000	31,438	(2,438)
Total expenditures	\$ 132,365	\$ 132,365	\$ 93,084	\$ 39,281
Deficiency of revenues under expenditures	\$ (132,365)	\$ (132,365)	\$ (93,084)	\$ 39,281
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 132,365	\$ 132,365	\$ 132,365	\$ 0
Transfers to charter officers			(39,281)	(39,281)
Total other financing sources and uses	\$ 132,365	\$ 132,365	\$ 93,084	\$ (39,281)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0	\$ 0

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2007

	<i>Agency Funds</i>
ASSETS	
Cash	\$ 125,546
Accounts receivable	<u>720</u>
Total assets	<u>\$ 126,266</u>
LIABILITIES	
Due to individuals	<u>\$ 126,266</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Brevard County Sheriff is a separately elected official established pursuant to the Constitution of the State of Florida.

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days (one hundred twenty days for intergovernmental revenues).

The primary revenue source for governmental funds is appropriations from the Board of County Commissioners. Primary revenue sources associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenues, such as miscellaneous revenues, are considered to be measurable and available only when payment is received.

Expenditures are generally recorded when liabilities are incurred, as under accrual accounting. However, liabilities such as accumulated sick and vacation pay are recorded only when payment is due.

In applying the modified accrual basis of accounting to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are typically two types of intergovernmental revenues. One type requires monies to be expended for the specific purpose of a project before any amounts will be reimbursed to the Sheriff and, therefore, the revenues recognized are based upon recorded expenditures. The other provides monies that are generally unrestricted as to purpose of expenditure and are substantially irrevocable (i.e. revocable only for failure to comply with prescribed compliance requirements). These revenues are recognized at the time of receipt or earlier if they meet the availability criterion.

These special-purpose financial statements are fund financial statements that have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes and Chapter 10.550 Rules of the Auditor General. The Sheriff is reported as part of the primary government of Brevard County, Florida. The Sheriff's special-purpose financial statements do not purport to reflect the financial position or results of operations of Brevard County, Florida, taken as a whole.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Refer to Note 1.C. in the County-wide Financial Statements for additional information.

The Sheriff utilizes the following fund types:

General Fund – The General Fund is the general operating fund of the Sheriff. All general tax revenues and other receipts that are not required either legally or by generally accepted accounting principles to be accounted for in other funds are accounted for in the General Fund.

Special Law Enforcement District Special Revenue Fund – is used to account for the county-wide operation of law enforcement services, operations, and facilities within the unincorporated area of Brevard County. Revenues for these services and all costs incurred in providing these services are accounted for in this fund.

Inmate Welfare Special Revenue Fund – is used to account for the receipt of prisoner commissary commissions revenues which are restricted by the Florida Department of Corrections for commissary operations and prisoner welfare.

Contraband Special Revenue Fund – is used to account for the receipt of revenue obtained from confiscated property and monies declared forfeited by a Circuit Court Judge. This fund is used by the Sheriff to defray certain costs as set forth in Chapter 932.704, Florida Statutes, and for other law enforcement purposes approved by the Board of County Commissioners.

City of Cape Canaveral Law Enforcement Special Revenue Fund – is used to account for the operation of law enforcement services provided to the City of Cape Canaveral, Florida. Charges for these services and all costs incurred in providing these services are accounted for in the fund.

Port Canaveral Law Enforcement Special Revenue Fund – is used to account for the operation of law enforcement services provided to the Canaveral Port Authority, Port Canaveral, Florida. Charges for these services and all costs incurred in providing these services are accounted for in this fund.

Federal Forfeiture Special Revenue Funds – are used to account for the receipt of federal revenue obtained from confiscated property and monies declared forfeited by a Circuit Court Judge. These monies are used in accordance with federal guidelines for law enforcement purposes.

Law Enforcement Training Special Revenue Funds – are used to account for the receipt of revenue obtained from the assessment of court costs collected and distributed to the Sheriff's Office for reimbursement of criminal justice education and training as prescribed in Chapter 943, Florida Statutes, and County Ordinance No. 81-54.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Crime Prevention Special Revenue Fund – is used to account for the receipt of revenue obtained from the assessment of court costs collected and distributed to the Sheriff for crime prevention programs in the county, including safe neighborhood programs as prescribed in Chapter 775.083(2) of the Florida Statutes.

The Sheriff also reports the following fund types:

Agency Funds – Agency funds are clearing accounts for assets held by a government as an agent for individuals, private organizations, other governments or other funds. Agency funds are custodial in nature (assets equals liabilities) and do not involve the measurement of results of operations.

The Sheriff has two agency funds. One fund is used to account for collection and payment of civil process fee deposits held by the Sheriff's Office. The other agency fund is used to account for the collection and disbursement of cash held by the Sheriff's Office for prisoners during the term of incarceration.

C. Budget

Refer to Note 1. D. in the County-wide Financial Statements.

D. Interfund Receivables and Payables

Refer to Note 1. E. in the County-wide Financial Statements.

E. Capital Assets

Refer to Note 1. F. in the County-wide Financial Statements.

F. Inventory and Prepaid Items

Refer to Note 1. I. in the County-wide Financial Statements.

G. Investments

Refer to Note 1. J. in the County-wide Financial Statements.

H. Accrued Compensated Absences

Refer to Note 1. L. in the County-wide Financial Statements.

The activity in the accrued compensated absence balances was as follows:

<u>Oct 1, 2006</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2007</u>
\$11,524,394	\$1,625,277	\$826,086	\$12,323,585

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

The accrued compensated absence liability due within one year is estimated at \$970,899.

I. Reserves of Fund Balances and Net Assets

Refer to Note 1. O. in the County-wide Financial Statements.

J. Use of Estimates

Refer to Note 1. P. in the County-wide Financial Statements.

2. Cash and Investments

Refer to Notes 4 and 5 in the County-wide Financial Statements.

The carrying amount of the Sheriff's deposits with financial institutions was \$6,033,413. The bank balance is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the State Treasury in accordance with Chapter 280, Florida Statutes.	\$7,621,467
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In addition \$654,830, which represents both book and market value, is invested with the State Board of Administration (SBA) reported as cash. The remaining represents \$22,989 cash on hand.

3. Capital Assets

Fixed assets for the Sheriff are not included in the fund financial statements of the Sheriff but are included in the County-wide Financial Statements.

Capital asset activity for the year ended September 30, 2007, was as follows:

	<u>Oct. 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2007</u>
Governmental Activities:				
Operating machinery and equipment	\$26,596,720	\$4,778,851	\$1,858,209	\$29,517,362
Less accumulated depreciation	<u>16,404,724</u>	<u>3,303,648</u>	<u>1,608,951</u>	<u>18,099,421</u>
Total governmental activities capital assets, net	<u>\$10,191,996</u>	<u>\$1,475,203</u>	<u>\$ 249,258</u>	<u>\$11,417,941</u>

Capital assets used by the Sheriff's operations are recorded in the governmental fund types as expenditures 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.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

4. Leases

The Sheriff had no capital leases as of September 30, 2007.

The Sheriff is obligated under several operating lease agreements for storage and building facilities expiring between August 2008 and December 2030. The total cost for these leases was \$176,096 for the year ended September 30, 2007. The future minimum lease payments are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2008	\$151,010
2009	149,010
2010	141,261
2011	122,600
2012	<u>17,427</u>
Total minimum lease payable	<u>\$581,308</u>

The Sheriff is obligated under several operating lease agreements for office copiers and fax machines expiring between November 2007 and June 2012. Total cost for the leases was \$127,311 for the year ended September 30, 2007. The future minimum lease payments are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2008	\$115,784
2009	102,086
2010	85,662
2011	51,184
2012	<u>10,909</u>
Total minimum lease payable	<u>\$365,625</u>

The Sheriff is obligated under a noncancelable operating lease agreement for 911 equipment, software, service, and system maintenance through September 2008. Total cost for the lease was \$120,480 for the year ended September 30, 2007. The agency's 911 CAD system will be replaced in fiscal year 2008. The future minimum lease payments are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2008	<u>\$120,480</u>
Total minimum lease payable	<u>\$120,480</u>

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

The Sheriff is obligated to make payments on three commercial payment loans with the Board of County Commissioners from May 2008 to October 2027. These loans were approved for the construction of a hangar at TICO, the replacement of the Computer Aided Dispatch system, and the acquisition of a building and land for the Sheriff's Criminal Investigation Division and Crime Scene Investigation Laboratory in Rockledge. The minimum commitments payable are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2008	\$ 298,960
2009	298,960
2010	298,960
2011	298,960
2012	298,960
2013-2016	1,195,839
2017-2021	1,011,323
2022-2026	1,011,323
2027	<u>202,265</u>
Total Minimum commitments payable	<u>\$4,915,550</u>

5. Retirement

Refer to Note 23 in the County-wide Financial Statements.

The Sheriff's contributions for the years ending September 30, 2007, 2006, and 2005, were \$8,866,475, \$7,103,418, and \$6,109,235, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2007, represented 18.11% of covered payroll.

6. Deferred Compensation

Refer to Note 20 in the County-wide Financial Statements.

7. Excess of Expenditures over Appropriations

Federal Forfeiture Department of Justice public safety expenditures exceeded appropriations by \$184,165. Federal Forfeiture Department of Treasury public safety and capital outlay expenditures exceeded appropriations by \$58,383 and \$148,944, respectively. The Crime Prevention Fund capital outlay expenditures exceeded appropriations by \$2,438.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

8. Contingent Liabilities

The Sheriff is insured through the Florida Sheriff's Association for coverage of substantially all risks and general liability claims. The Florida Sheriff's Association is a public entity risk pool, which purchases insurance policies on behalf of its members. The pool's members are not obligated for risk associated with such coverage.

Several claims have been filed against the Sheriff by employees of the Sheriff's office, and prisoners and ex-prisoners of the Brevard County Jail. These claims are covered by the Florida Sheriff's Self-Insurance Fund and, in the opinion of attorneys for the Florida Sheriff's Association, except as otherwise disclosed, no material liability will be incurred by the Sheriff.

9. Risk Management

Refer to Note 19 in the County-wide Financial Statements.

10. Subsequent Events

Refer to Note 24 in the County-wide Financial Statements.

As discussed in Note 2, at September 30, 2007, the Brevard County Sheriff had \$654,830 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool).

As of June 30, 2008, the Brevard County Sheriff had \$64,154 and \$32,164 invested in Pool A and B, respectively. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

On September 11, 2007, the Board of County Commissioners approved the purchase of a Sheriff's CIU and CSI laboratory located in Rockledge. The Board of County Commissioners funded the payments through the use of a commercial paper loan. However, the commercial paper loan wasn't issued until after year end September 30, 2007.

BREVARD COUNTY

SHERIFF

COMBINING STATEMENTS - BY FUND TYPE

SEPTEMBER 30, 2007

BREVARD COUNTY SHERIFF
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2007

	<i>Civil Process Fee Deposits</i>	<i>Prisoner Deposits</i>	<i>Total</i>
ASSETS			
Cash	\$ 112,048	\$ 13,498	\$ 125,546
Accounts receivable	0	720	720
Total assets	<u>\$ 112,048</u>	<u>\$ 14,218</u>	<u>\$ 126,266</u>
LIABILITIES			
Due to individuals	<u>\$ 112,048</u>	<u>\$ 14,218</u>	<u>\$ 126,266</u>

BREVARD COUNTY

SHERIFF

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



**REPORT ON COMPLIANCE WITH FEDERAL EQUITABLE SHARING
GUIDELINE**



**MANAGEMENT LETTER
and
MANAGEMENT RECOMMENDATION**



MANAGEMENT'S RESPONSE

SEPTEMBER 30, 2007

BERMAN HOPKINS
WRIGHT & LAHAM
CPAS AND ASSOCIATES, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

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

Honorable Jack Parker
Brevard County Sheriff
Brevard County, Florida



We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Sheriff, as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Sheriff's special-purpose financial statements and have issued our report thereon dated July 15, 2008. 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.

Internal Control Over Financial Reporting

BREVARD OFFICE

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ORLANDO OFFICE

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In planning and performing our audit, we considered the Brevard County Sheriff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Brevard County Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Brevard County Sheriff's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Brevard County Sheriff's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Brevard County Sheriff's special-purpose financial statements that is more than inconsequential will not be prevented or detected by the Brevard County Sheriff's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the special-purpose financial statements will not be prevented or detected by the Brevard County Sheriff's internal control.

Our consideration of internal control over financial reporting 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Brevard County Sheriff's special-purpose 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*.

We noted certain matters that we reported to management of the Brevard County Sheriff, in a separate letter dated July 15, 2008.

The Brevard County Sheriff's written response to the significant deficiencies identified in our audit has not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BERMAN HOPKINS
WRIGHT & LAHAM
CPAS AND ASSOCIATES, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH FEDERAL
EQUITABLE SHARING GUIDELINES**

Honorable Jack Parker
Brevard County Sheriff
Brevard County, Florida



We have audited the compliance of the Brevard County Sheriff with the types of compliance requirements described in the Department of the Treasury's *Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies* and the Department of Justice's *Guide to Equitable Sharing Federally Forfeited Property for State and Local Law Enforcement Agencies* that are applicable to each of its federal equitable sharing programs for the year ended September 30, 2007. Compliance with the requirements of laws, regulations, and guidelines applicable to federal equitable sharing programs is the responsibility of the Brevard County Sheriff's management. Our responsibility is to express an opinion on the Brevard County Sheriff's compliance based on our audit.

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We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a federal equitable sharing program occurred. An audit includes examining on a test basis, evidence about the Brevard County Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Brevard County Sheriff's compliance with those requirements.

In our opinion, the Brevard County Sheriff complied, in all material respects, with the requirements referred to above that are applicable to each federal equitable sharing programs for the year ended September 30, 2007.

This report is intended solely for the information and use of management, the Department of the Treasury, and the Department of Justice and is not intended to be and should not be used by anyone other than these specified parties.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

MANAGEMENT LETTER

Honorable Jack Parker
Brevard County Sheriff
Brevard County, Florida.

We have audited the special-purpose financial statements of the Brevard County Sheriff, as of and for the fiscal year ended September 30, 2007, and have issued our report thereon dated July 15, 2008.



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. We have issued our Independent Auditors' Report on Compliance and Internal Control over Financial Reporting and Other Matters. Disclosures in that report, which are dated July 15, 2008, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and, unless otherwise required to be reported in the report on compliance and internal controls or schedule of findings and questioned costs, this letter is required to include the following information.

BREVARD OFFICE

8035 Spyglass Hill Road
Melbourne, FL 32940

phone: 321.757.2020
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ORLANDO OFFICE

480 N. Orlando Ave.
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- 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 significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Brevard County Sheriff complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, such matters are noted in items 07-01 in the attachment to this letter: "Management Recommendation".

- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts and grant agreements or abuse that have an effect on the special-purpose financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)5., Rules of the Auditor General, requires, based on professional judgment, the reporting of the following matters that are inconsequential to the special-purpose financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred and would have an immaterial effect on the special-purpose financial statements; (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to; (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the special-purpose financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)6., 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 Brevard County Sheriff was established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). The Brevard County Sheriff does not have any related component units.

This management letter is intended solely for the information of the Brevard County Sheriff and management, the State of Florida Auditor General, and other applicable regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Brevard County Sheriff
MANAGEMENT RECOMMENDATION

September 30, 2007

Current Year Recommendation

07-01 Maximum Accrual for Leave

Criteria: The Sheriff's policies require annual leave balances in excess of the stated maximum at calendar year end be used by March 31 of the subsequent calendar year. In addition, the maximum holiday hour accumulated balance may not exceed 110 hours.

Condition: During our audit, we noted that 10 of the 45 tested employee leave balances were in excess of the maximum annual leave allowed per the policy as of March 31, 2007 with no documented approval to carry the excess balances forward.

Effect: Non-compliance with Sheriff's policies.

Auditors' Recommendations: We recommend the Sheriff's Office reinforce to all employees the policies, as currently stated, for annual and holiday leave balances. The Sheriff's Office should consider reviewing a report detailing holiday and annual leave balances as of March 31 and investigating any balances that exceed the ceiling(s) specified in the Sheriff's policies. Any exceptions should have documented approval.



Member
Florida Sheriffs Association
National Sheriffs Association



An Internationally Accredited
Law Enforcement Agency

North Precinct
700 Park Avenue
Titusville, FL 32780
(321) 264-5353
(321) 264-5359 fax

East Precinct
2575 N. Courtenay Pkwy.
Merritt Island, FL 32953
(321) 455-1485
(321) 455-1488 fax

Canaveral Precinct
111 Polk Avenue
Cape Canaveral, FL 32920
(321) 868-1113
(321) 784-8340 fax

West Precinct
2725 Judge Fran Jamieson
Way, Bldg. E
Viera, FL 32940
(321) 633-2123
(321) 633-1965 fax

South Precinct
1515 Sarno Road
Melbourne, FL 32901
(321) 253-6684
(321) 255-4337 fax

**Brevard County
Detention Center**
P. O. Box 800
860 Camp Road
Sharpes, FL 32959
(321) 690-1500
(321) 635-7800 fax

Sheriff J.R. "Jack" Parker

BREVARD COUNTY SHERIFF'S OFFICE

700 Park Avenue * Titusville, Florida 32780-4095 * (321) 264-5201 * Fax (321) 264-5360

July 22, 2008

Honorable David W. Martin, CPA
Auditor General
State of Florida
P.O. Box 1735
Tallahassee, Florida 32301-1735

Re: Response to Auditors' Comments

Dear Sir:

In accordance with Section 11.45, Florida Statutes and Chapter 10.550, Rules of the Auditor General, the following is my response to the auditors' management comment for the fiscal year ended September 30, 2007.

Comment 07-01 Maximum Accrual for Leave

The Sheriff's Office agrees with the auditors' comment and will ensure that the Human Resources office enforces the annual and holiday leave policies that are currently in place.

Sincerely,

Tom Jenkins
Chief Administrative Officer

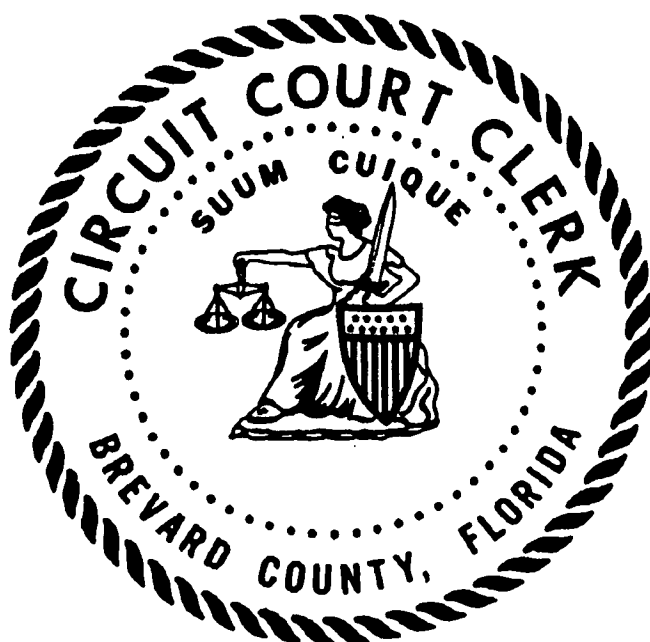
**CLERK
OF THE
CIRCUIT COURT**

BREVARD COUNTY CLERK OF THE CIRCUIT COURT

SEPTEMBER 30, 2007

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1
Fund Financial Statements:	3
Balance Sheet – Governmental Funds	4
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	6
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
General Fund	8
Records Modernization Trust	9
Court Related Technology	10
Statement of Fiduciary Net Assets – Fiduciary Funds	11
Notes to the Special-Purpose Financial Statements	13
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	18
MANAGEMENT LETTER	20



BERMAN HOPKINS
WRIGHT & LAHAM
CPAS AND ASSOCIATES, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

INDEPENDENT AUDITORS' REPORT

The Honorable Scott Ellis
Brevard County Clerk of the Circuit Court
Brevard County, Florida



We have audited the accompanying special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Clerk of the Circuit Court, as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Clerk of the Circuit Court's special-purpose financial statements as listed in the table of contents. These financial statements are the responsibility of the Brevard County Clerk of the Circuit Court's management. Our responsibility is to express opinions on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation of the financial position of Brevard County, Florida and the result of its operation's in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information the Brevard Count Clerk of the Circuit Court, as of September 30, 2007, and the changes in financial position and, and the respective budgetary comparison for the General, Records Modernization Trust, and Court Related Technology Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, we have also issued our report dated, July 15, 2008, on our consideration of the Brevard County Clerk of the Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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 the specified parties.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY
CLERK OF THE CIRCUIT COURT

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2007



BREVARD COUNTY CLERK OF CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<u>General</u>	<u>Records Modernization Trust</u>
ASSETS		
Cash	\$ 1,536,128	\$ 2,545,085
Other receivable	471	0
Due from other governmental units	278,023	0
Total assets	<u>\$ 1,814,622</u>	<u>\$ 2,545,085</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 119,644	\$ 0
Accrued wages and benefits payable	1,202,849	0
Due to charter officers	82,035	0
Due to other governmental units	410,094	0
Total liabilities	<u>\$ 1,814,622</u>	<u>\$ 0</u>
Fund balances:		
Unreserved reported in:		
Special Revenue funds	\$ 0	\$ 2,545,085
Total liabilities and fund balances	<u>\$ 1,814,622</u>	<u>\$ 2,545,085</u>

The accompanying notes to the financial statements are an integral part of this statement.

<i>Court Related Technology</i>	<i>Total</i>
\$ 1,456,419	\$ 5,537,632
1,781	2,252
0	278,023
<u>\$ 1,458,200</u>	<u>\$ 5,817,907</u>
\$ 40,658	\$ 160,302
23,538	1,226,387
0	82,035
0	410,094
<u>\$ 64,196</u>	<u>\$ 1,878,818</u>
\$ 1,394,004	\$ 3,939,089
<u>\$ 1,458,200</u>	<u>\$ 5,817,907</u>

BREVARD COUNTY CLERK OF CIRCUIT COURT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>General</u>	<u>Records Modernization Trust</u>
REVENUES		
Intergovernmental revenues	\$ 2,661,961	\$ 0
Charges for services	17,595,091	517,040
Miscellaneous revenues	1,500,162	44,752
Total revenues	<u>\$ 21,757,214</u>	<u>\$ 561,792</u>
EXPENDITURES		
General government	<u>\$ 24,082,233</u>	<u>\$ 526,885</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,325,019)</u>	<u>\$ 34,907</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from charter officers	\$ 2,407,054	\$ 0
Transfers to charter officers	<u>(82,035)</u>	<u>0</u>
Total other financing sources and uses	<u>\$ 2,325,019</u>	<u>\$ 0</u>
Net change in fund balances	\$ 0	\$ 34,907
Fund balances - beginning	0	2,510,178
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 2,545,085</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

<i>Court Related Technology</i>	<i>Total</i>
\$ 0	\$ 2,661,961
1,584,509	19,696,640
136,250	1,681,164
<u>\$ 1,720,759</u>	<u>\$ 24,039,765</u>
 \$ 3,738,610	 \$ 28,347,728
<u>\$ (2,017,851)</u>	<u>\$ (4,307,963)</u>
 \$ 0	 \$ 2,407,054
<u>0</u>	<u>(82,035)</u>
 \$ 0	 \$ 2,325,019
\$ (2,017,851)	\$ (1,982,944)
3,411,855	5,922,033
<u>\$ 1,394,004</u>	<u>\$ 3,939,089</u>

BREVARD COUNTY CLERK OF CIRCUIT COURT

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Intergovernmental revenues	\$ 2,868,669	\$ 3,106,658	\$ 2,661,961	\$ (444,697)
Charges for services	16,756,367	18,689,397	17,595,091	(1,094,306)
Miscellaneous revenues	902,553	902,553	1,500,162	597,609
Total revenues	<u>\$ 20,527,589</u>	<u>\$ 22,698,608</u>	<u>\$ 21,757,214</u>	<u>\$ (941,394)</u>
EXPENDITURES				
General government	<u>\$ 22,035,180</u>	<u>\$ 24,109,547</u>	<u>\$ 24,082,233</u>	<u>\$ 27,314</u>
Deficiency of revenues under expenditures	<u>\$ (1,507,591)</u>	<u>\$ (1,410,939)</u>	<u>\$ (2,325,019)</u>	<u>\$ (914,080)</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 2,407,054	\$ 2,407,054	\$ 2,407,054	\$ 0
Transfers to charter officers	<u>0</u>	<u>0</u>	<u>(82,035)</u>	<u>(82,035)</u>
Total other financing sources and uses	<u>\$ 2,407,054</u>	<u>\$ 2,407,054</u>	<u>\$ 2,325,019</u>	<u>\$ (82,035)</u>
Net change in fund balances	<u>\$ 899,463</u>	<u>\$ 996,115</u>	<u>\$ 0</u>	<u>\$ (996,115)</u>
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 899,463</u></u>	<u><u>\$ 996,115</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (996,115)</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY CLERK OF CIRCUIT COURT
RECORDS MODERNIZATION TRUST

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Charges for services	\$ 288,000	\$ 288,000	\$ 517,040	\$ 229,040
Miscellaneous revenues	25,000	25,000	44,752	19,752
Total revenues	<u>\$ 313,000</u>	<u>\$ 313,000</u>	<u>\$ 561,792</u>	<u>\$ 248,792</u>
EXPENDITURES				
General government	\$ 2,697,350	\$ 2,697,350	\$ 526,885	\$ 2,170,465
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,384,350)</u>	<u>\$ (2,384,350)</u>	<u>\$ 34,907</u>	<u>\$ 2,419,257</u>
Net change in fund balances	<u>\$ (2,384,350)</u>	<u>\$ (2,384,350)</u>	<u>\$ 34,907</u>	<u>\$ 2,419,257</u>
Fund balances - beginning	<u>2,510,178</u>	<u>2,510,178</u>	<u>2,510,178</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 125,828</u></u>	<u><u>\$ 125,828</u></u>	<u><u>\$ 2,545,085</u></u>	<u><u>\$ 2,419,257</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY CLERK OF CIRCUIT COURT
COURT RELATED TECHNOLOGY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

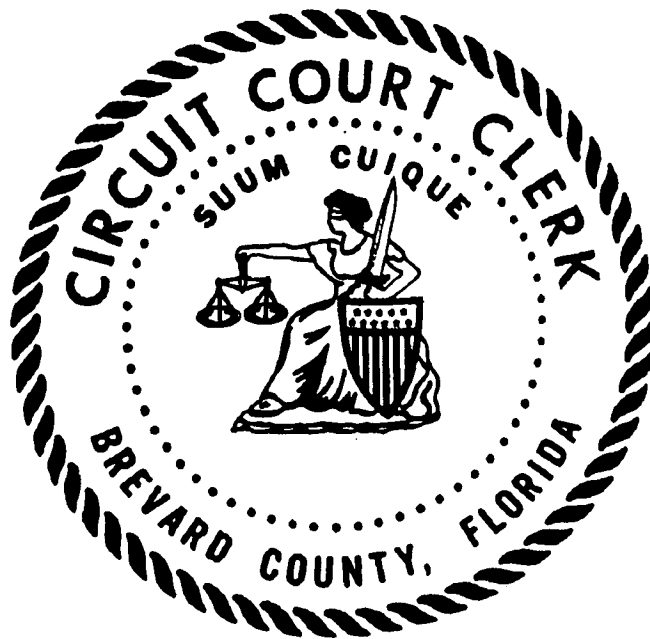
	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 1,927,684	\$ 1,336,954	\$ 1,584,509	\$ 247,555
Miscellaneous revenues	0	0	136,250	136,250
Total revenues	\$ 1,927,684	\$ 1,336,954	\$ 1,720,759	\$ 383,805
EXPENDITURES				
General government	\$ 1,831,300	\$ 3,740,500	\$ 3,738,610	\$ 1,890
Excess (deficiency) of revenues over (under) expenditures	\$ 96,384	\$ (2,403,546)	\$ (2,017,851)	\$ 385,695
Net change in fund balances	\$ 96,384	\$ (2,403,546)	\$ (2,017,851)	\$ 385,695
Fund balances - beginning	3,411,855	3,411,855	3,411,855	0
Fund balances - ending	\$ 3,508,239	\$ 1,008,309	\$ 1,394,004	\$ 385,695

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY CLERK OF CIRCUIT COURT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2007

	<i>Agency Funds</i>
ASSETS	
Cash and equivalents	\$ 9,984,826
Other receivable	213,948
Investments in SBA	<u>7,053,976</u>
Total assets	<u>\$ 17,252,750</u>
LIABILITIES	
Due to employees, individuals, and others	\$ 811,686
Due to other governmental units	2,280,654
Escrow and refundable deposits	<u>14,160,410</u>
Total liabilities	<u>\$ 17,252,750</u>

The accompanying notes to the financial statements are an integral part of this statement.



BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Brevard County Clerk of the Circuit Court is a separately elected official established pursuant to the Constitution of the State of Florida.

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days.

The primary revenue sources for governmental funds are appropriations from the Board of County Commissioners and charges for services. Primary revenue sources associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenues, such as miscellaneous revenues, are considered to be measurable and available only when payment is received.

Expenditures are generally recorded when liabilities are incurred, as under accrual accounting. However, liabilities such as accumulated sick and vacation pay are recorded only when payment is due.

In applying the modified accrual basis of accounting to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are typically two types of intergovernmental revenues. One type requires monies to be expended for the specific purpose of a project before any amounts will be reimbursed to the Clerk, and therefore, the revenues recognized are based upon recorded expenditures. The other provides monies that are generally unrestricted as to purpose of expenditure and are substantially irrevocable (i.e. revocable only for failure to comply with prescribed compliance requirements). These revenues are recognized at the time of receipt or earlier if they meet the availability criterion.

These special-purpose financial statements are fund financial statements that have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes and Chapter 10.550 Rules of the Auditor General. The Clerk of Circuit Court is reported as part of the primary government of Brevard County, Florida. The Clerk's special-purpose financial statements do not purport to reflect the financial position or results of operations of Brevard County, Florida, taken as a whole.

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Refer to Note 1. C. in the County-wide Financial Statements for additional information.

The Clerk utilizes the following funds:

General Fund - The General Fund is the general operating fund of the Clerk. All general revenues and other receipts that are not required either legally or by generally accepted accounting principles to be accounted for in other funds are accounted for in the General Fund.

Public Records Modernization Trust Fund - is used to account for service charges collected on recording fees to be used for modernization of the official records system, as set forth in Section 28.24, Florida Statutes.

Court Related Technology - is used to account for court related technology needs of the Clerk as defined in Section 29.008, Florida Statutes.

Public Records Modernization Trust and Court Related Technology have restricted and unrestricted funds. The Clerk utilizes the unrestricted funds prior to the restricted, per Florida Statutes.

Agency Funds - Agency funds are clearing accounts for assets held by a government as an agent for individuals, private organizations, other governments or other funds. Agency funds are custodial in nature (assets equals liabilities) and do not involve the measurement of results of operations.

The Clerk's agency funds serve as a means of accounting for collection of certain fines and fees and distributing them per Florida Statutes.

C. Budget

Refer to Note 1. D. in the County-wide Financial Statements.

D. Capital Assets

Refer to Note 1. F. in the County-wide Financial Statements.

	<u>Oct. 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2007</u>
Governmental Activities:				
Operating machinery and equipment	\$3,793,188	\$1,037,878	\$335,813	\$4,495,253
Less accumulated depreciation	<u>1,868,505</u>	<u>552,835</u>	<u>303,493</u>	<u>2,117,847</u>
Total governmental activities capital assets, net	<u>\$1,924,683</u>	<u>\$ 485,043</u>	<u>\$ 32,320</u>	<u>\$2,377,406</u>

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Capital assets used by the Clerk's operations are recorded in the governmental fund types as expenditures 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.

E. Investments

Refer to Note 1. J. in the County-wide Financial Statements.

F. Accrued Compensated Absences

Refer to Note 1. L. in the County-wide Financial Statements.

The Clerk of Circuit Court accrued compensated absences were:

<u>Oct. 1, 2006</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2007</u>
\$2,099,915	\$306,137	\$116,348	\$2,289,704

The accrued compensated absence liability due within one year is estimated at \$116,256.

G. Reserves of Fund Balances and Net Assets

Refer to Note 1. O. in the County-wide Financial Statements.

H. Use of Estimates

Refer to Note 1. P. in the County-wide Financial Statements.

2. Cash and Investments

Refer to Notes 4 and 5 in the County-wide Financial Statements.

The carrying amount of the Clerk's deposits with financial institutions was \$13,910,708, and the bank balance was \$14,637,181. The bank balance is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by
the State Treasurer in accordance with Chapter 280, Florida Statutes. \$14,637,181

The remaining balance classified as investments in the amount of \$7,053,976, represents both book and market value, is invested with the State Board of Administration (SBA).

The \$1,604,422 investment balance, accounted for in the Agency Funds consists of Certificates of Deposit.

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

3. Deferred Compensation

Refer to Note 20 in the County-wide Financial Statements.

4. Retirement

Refer to Note 23 in the County-wide Financial Statements.

The Clerk's contributions for the years ending September 30, 2007, 2006, and 2005 were \$1,500,292, \$1,149,235, and \$1,007,768, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2007, represented 10.01% of covered payroll.

5. Risk Management

Refer to Note 19 in the County-wide Financial Statements.

6. Subsequent Event

Refer to Note 24 in the County-wide Financial Statements.

As discussed in Note 2, at September 30, 2007, the Brevard County Clerk of the Circuit Court had \$7,053,976 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool).

As of June 30, 2008, the Clerk had \$27,959 and \$14,061 invested in Pool A and B, respectively. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

BREVARD COUNTY
CLERK OF THE CIRCUIT COURT

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



MANAGEMENT LETTER

SEPTEMBER 30, 2007

BERMAN & HOPKINS
WRIGHT & LAHAM
CPAS AND ASSOCIATES, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

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

Honorable Scott Ellis
Brevard County Clerk of the Circuit Court
Brevard County, Florida



We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Clerk of the Circuit Court ("the Clerk"), as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Clerk of the Circuit Court's special-purpose financial statements and have issued our report thereon dated July 15, 2008. 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.

Internal Control Over Financial Reporting

BREVARD OFFICE

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In planning and performing our audit, we considered the Brevard County Clerk of the Circuit Court's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Clerk's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Clerk's special-purpose financial statements that is more than inconsequential will not be prevented or detected by the Clerk's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the special-purpose financial statements will not be prevented or detected by the Clerk's internal control.

Our consideration of internal control over financial reporting 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Brevard County Clerk of the Circuit Court's special-purpose 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*.

This report is intended solely for the information and use of management, others within the entity, 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.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

MANAGEMENT LETTER

Honorable Scott Ellis
Brevard County Clerk of the Circuit Courts
Brevard County, Florida.

We have audited the special-purpose financial statements of the Brevard County Clerk of the Circuit Court, as of and for the fiscal year ended September 30, 2007, and have issued our report thereon dated July 15, 2008.



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. We have issued our Independent Auditors' Report on Compliance and Internal Control over Financial Reporting and Other Matters. Disclosures in that report, which are dated July 15, 2008, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and, unless otherwise required to be reported in the report on compliance and internal controls or schedule of findings and questioned costs, this letter is required to include the following information.

- 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 significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address all significant findings and recommendations made in the preceding annual financial audit.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Brevard County Clerk of the Circuit Court complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such recommendations.

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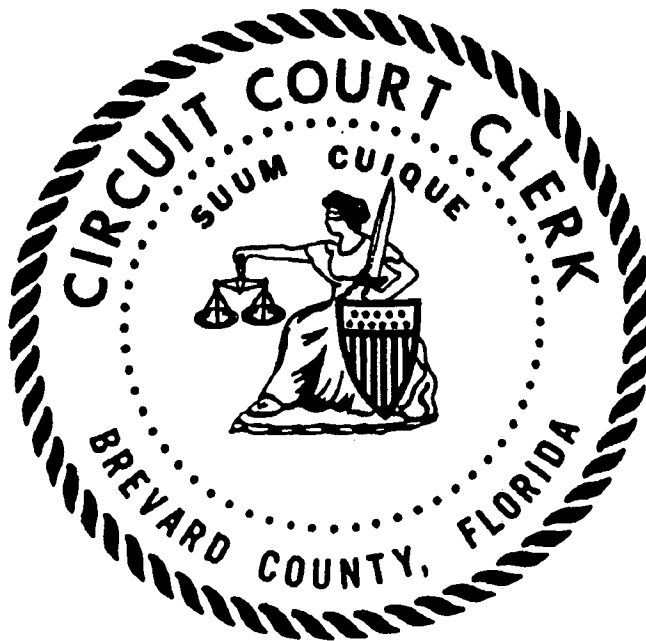
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- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts and grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)5., Rules of the Auditor General, requires, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred and would have an immaterial effect on the financial statements; (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to; (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)6., 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 Brevard County Clerk of the Circuit Court was established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). The Brevard County Clerk of the Circuit Court does not have any related component units.
- Section 10.554(1)(i)8., Rules of the Auditor General, requires a statement as to whether or not the Brevard County Clerk of the Circuit Court complied with Section 28.35, Florida Statutes, regarding the budget and performance standards certified by the Florida Clerk of Courts Operations Corporation. In connection with our audit, we determined that the Clerk complied with the budget and performance standards pursuant to Section 28.35, Florida Statutes.

This management letter is intended solely for the information of the Brevard County Clerk of the Circuit Court and 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.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP



TAX

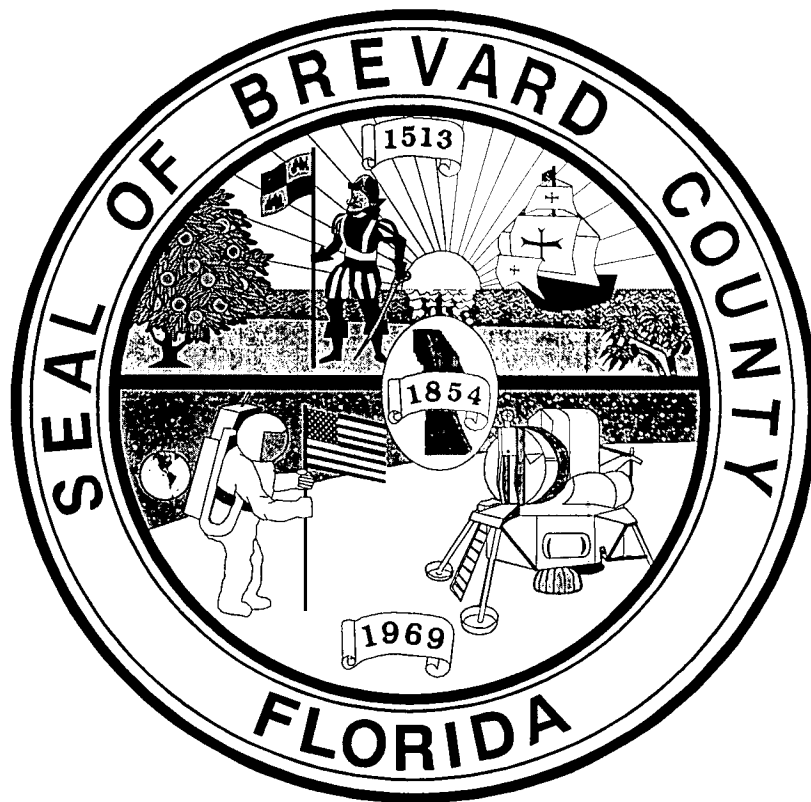
COLLECTOR

BREVARD COUNTY TAX COLLECTOR

SEPTEMBER 30, 2007

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1
Fund Financial Statements:	3
Balance Sheet – Governmental Funds	4
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual General Fund	6
Statement of Fiduciary Net Assets – Fiduciary Funds	7
Notes to the Special-Purpose Financial Statements	8
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	14
MANAGEMENT LETTER	16



BERMAN & HOPKINS
WRIGHT & LAHAM
CPAS AND ASSOCIATES, LLP

Partners:

John R. Hopkins
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INDEPENDENT AUDITORS' REPORT

The Honorable Rod Northcutt
Brevard County Tax Collector
Brevard County, Florida



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We have audited the accompanying special-purpose financial statements of the major fund and the aggregate remaining fund information of the Brevard County Tax Collector, as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Tax Collector's special-purpose financial statements as listed in the table of contents. These financial statements are the responsibility of the Brevard County Tax Collector's management. Our responsibility is to express opinions on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation of the financial position of Brevard County, Florida and the result of its operation's in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Brevard County Tax Collector, as of September 30, 2007, and the changes in financial position and, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated, July 15, 2008, on our consideration of the Brevard County Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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 the specified parties.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY

TAX COLLECTOR

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2007

BREVARD COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<u>General</u>
ASSETS	
Cash	\$ 3,707,709
Due from charter officers	7,276
Total assets	<u>\$ 3,714,985</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Vouchers and contracts payable	\$ 94,619
Due to charter officers	3,515,162
Due to other governmental units	105,204
Total liabilities	<u>\$ 3,714,985</u>
Fund balance	<u>\$ 0</u>
Total liabilities and fund balance	<u>\$ 3,714,985</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY TAX COLLECTOR
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>General</u>
REVENUES	
Charges for services	\$ 15,252,023
Miscellaneous revenues	227,491
Total revenues	<u>\$ 15,479,514</u>
EXPENDITURES	
General government	<u>\$ 11,871,674</u>
Excess of revenues over expenditures	<u>\$ 3,607,840</u>
OTHER FINANCING USES	
Transfers to charter officers and other governmental units	<u>\$ (3,607,840)</u>
Total other financing uses	<u>\$ (3,607,840)</u>
Net change in fund balances	\$ 0
Fund balance - beginning	<u>0</u>
Fund balance - ending	<u><u>\$ 0</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY TAX COLLECTOR

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 15,269,995	\$ 15,398,055	\$ 15,252,023	\$ (146,032)
Miscellaneous revenues	144,050	225,250	227,491	2,241
Total revenues	<u>\$ 15,414,045</u>	<u>\$ 15,623,305</u>	<u>\$ 15,479,514</u>	<u>\$ (143,791)</u>
EXPENDITURES				
General government	\$ 9,723,096	\$ 11,907,262	\$ 11,871,674	\$ 35,588
Excess of revenues over expenditures	<u>\$ 5,690,949</u>	<u>\$ 3,716,043</u>	<u>\$ 3,607,840</u>	<u>\$ (108,203)</u>
OTHER FINANCING USES				
Transfers to charter officers and other governmental units	\$ (5,690,949)	\$ (3,716,043)	\$ (3,607,840)	\$ 108,203
Total other financing uses	<u>\$ (5,690,949)</u>	<u>\$ (3,716,043)</u>	<u>\$ (3,607,840)</u>	<u>\$ 108,203</u>
Net change in fund balance	\$ 0	\$ 0	\$ 0	\$ 0
Fund balance - beginning	0	0	0	0
Fund balance - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2007

	<i>Agency Funds</i>
ASSETS	
Cash and equivalents	\$ 9,799,963
Other receivable	124,923
Total assets	<u>\$ 9,924,886</u>
LIABILITIES	
Due to employees, individuals, and others	\$ 357,938
Due to other governmental units	2,019,851
Prepaid taxes	7,547,097
Total liabilities	<u>\$ 9,924,886</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Brevard County Tax Collector is a separately elected official established pursuant to the Constitution of the State of Florida.

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days.

The primary revenue sources for governmental funds are commissions from tax collections, interest earnings, and charges for services. Primary revenue sources associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenues, such as miscellaneous revenues, are considered to be measurable and available only when payment is received.

Expenditures are generally recorded when liabilities are incurred, as under accrual accounting. However, liabilities such as accumulated sick and vacation pay, and insurance are recorded only when payment is due.

In applying the modified accrual basis of accounting to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are typically two types of intergovernmental revenues. One type requires monies to be expended for the specific purpose of a project before any amounts will be reimbursed to the Tax Collector, and therefore, the revenues recognized are based upon recorded expenditures. The other provides monies that are generally unrestricted as to purpose of expenditure and are substantially irrevocable (i.e. revocable only for failure to comply with prescribed compliance requirements). These revenues are recognized at the time of receipt or earlier if they meet the availability criterion.

These special-purpose financial statements are fund financial statements that have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes and Chapter 10.550 Rules of the Auditor General. The Tax Collector is reported as part of the primary government of Brevard County, Florida. The Tax Collector's special-purpose financial statements do not purport to reflect the financial position or results of operations of Brevard County, Florida, taken as a whole.

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Refer to Note 1. C. in County-wide Financial Statements for additional information.

The Tax Collector utilizes the following fund types:

General Fund - The General Fund is the general operating fund of the Tax Collector. All general revenues and other receipts that are not required either legally or by generally accepted accounting principles to be accounted for in other funds are accounted for in the General Fund.

Agency Funds - Agency funds are clearing accounts for assets held by a government as an agent for individuals, private organizations, other governments or other funds. Agency funds are custodial in nature (assets equals liabilities) and do not involve the measurement of results of operations. These agency funds are used to account for taxes collected by the Tax Collector on behalf of other governments.

C. Budget

Refer to Note 1. D. in the County-wide Financial Statements.

D. Capital Assets

Refer to Note 1. F. in the County-wide Financial Statements.

	<u>Oct. 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2007</u>
Governmental Activities:				
Operating machinery and equipment	\$1,925,970	\$337,145	\$53,918	\$2,209,197
Less accumulated depreciation	<u>951,921</u>	<u>244,301</u>	<u>46,668</u>	<u>1,149,554</u>
Total governmental activities capital assets, net	<u>\$ 974,049</u>	<u>\$ 92,844</u>	<u>\$ 7,250</u>	<u>\$1,059,643</u>

Capital assets used by the Tax Collector's operations are recorded in the governmental fund types as expenditures 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.

E. Investments

Refer to Note 1. J. in the County-wide Financial Statements.

F. Accrued Compensated Absences

Refer to Note 1. L. in the County-wide Financial Statements.

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

The Tax Collector accrued compensated absences were:

<u>Oct 1, 2006</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2007</u>
\$717,070	\$13,375	\$98,491	\$631,954

The accrued compensated absence due within one year is estimated at \$111,708.

G. Reserves of Fund Balances

Refer to Note 1. O. in the County-wide Financial Statements.

H. Use of Estimates

Refer to Note 1. P. in the County-wide Financial Statements.

2. Cash and Investments

Refer to Notes 4 and 5 in the County-wide Financial Statements.

The carrying amount of the Tax Collector's deposits with financial institutions was \$3,389,320, and the bank balance was \$3,966,518. The bank balance is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by
the State Treasurer in accordance with Chapter 280, Florida Statutes. \$3,966,518

The remaining balance classified as cash in the amount of \$10,118,354 is broken down as follows: \$14,200 in the Petty Cash/Change Funds and \$10,104,154, which represents both book and market value, is invested with the State Board of Administration (SBA).

3. Deferred Compensation

Refer to Note 20 in the County-wide Financial Statements.

4. Retirement

Refer to Note 23 in the County-wide Financial Statements.

The Tax Collector's contributions for the years ending September 30, 2007, 2006, and 2005 were \$530,890, \$450,221, and \$375,767, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2007, represented 10.26% of covered payroll.

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

5. Leases

The Tax Collector is obligated under a noncancelable operating lease for office equipment through May 2009. Total cost for the year ended September 30, 2007, was \$52,946. The future minimum lease payment is as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2008	\$52,382
2009	<u>32,133</u>
Total	<u>\$84,515</u>

The Tax Collector leases three office facilities under noncancelable operating leases. Total costs for the leases were \$201,330 for the year ended September 30, 2007. The known future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2008	\$ 205,739
2009	210,218
2010	191,651
2011	150,166
2012	155,288
2013	128,536
2014	68,952
2015	<u>71,720</u>
Total	<u>\$1,182,270</u>

6. Risk Management

Refer to Note 19 in the County-wide Financial Statements.

7. Subsequent Event

Refer to Note 24 in the County-wide Financial Statements.

As discussed in Note 2, at September 30, 2007, the Brevard County Tax Collector had \$10,104,154 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool).

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

As of June 30, 2008, the Tax Collector had \$70,975,254 and \$10,051,139 invested in Pool A and B, respectively. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

BREVARD COUNTY
TAX COLLECTOR

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



MANAGEMENT LETTER

SEPTEMBER 30, 2007

BERMAN HOPKINS WRIGHT & LAHAM

CPAS AND ASSOCIATES, LLP

Partners:

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL- PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Rod Northcutt
Brevard County Tax Collector
Brevard County, Florida



We have audited the special-purpose financial statements of the major fund and the aggregate remaining fund information of the Brevard County Tax Collector, as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Tax Collector's special-purpose financial statements and have issued our report thereon dated July 15, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Brevard County Tax Collector's internal control over financial reporting as a basis for designing our auditing procedures 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 Brevard County Tax Collector's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Brevard County Tax Collector's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Brevard County Tax Collector's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Brevard County Tax Collector's special-purpose financial statements that is more than inconsequential will not be prevented or detected by the Brevard County Tax Collector's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the special-purpose financial statements will not be prevented or detected by the Brevard County Tax Collector's internal control.

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Our consideration of internal control over financial reporting 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Brevard County Tax Collector's special-purpose 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*.

This report is intended solely for the information and use of management, others within the entity, 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.

July 15, 2008
Melbourne, Florida

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MANAGEMENT LETTER

Honorable Rod Northcutt
Brevard County Tax Collector
Brevard County, Florida.

We have audited the special-purpose financial statements of the Brevard County Tax Collector, as of and for the fiscal year ended September 30, 2007, and have issued our report thereon dated July 15, 2008.



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. We have issued our Independent Auditors' Report on Compliance and Internal Control over Financial Reporting and Other Matters. Disclosures in that report, which are dated July 15, 2008, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and, unless otherwise required to be reported in the report on compliance and internal controls or schedule of findings and questioned costs, this letter is required to include the following information.

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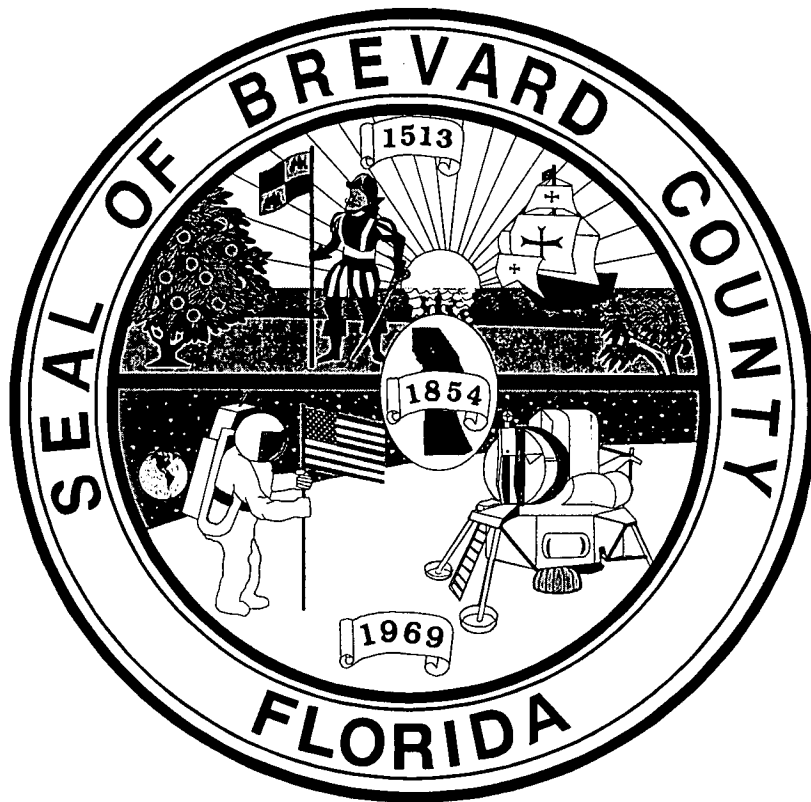
- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address all significant findings and recommendations made in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Brevard County Tax Collector complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such recommendations.

- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts and grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)5., Rules of the Auditor General, requires, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred and would have an immaterial effect on the financial statements; (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to; (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)6., 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 Brevard County Tax Collector was established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). The Brevard County Tax Collector does not have any related component units.

This management letter is intended solely for the information of the Brevard County Tax Collector and 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.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP



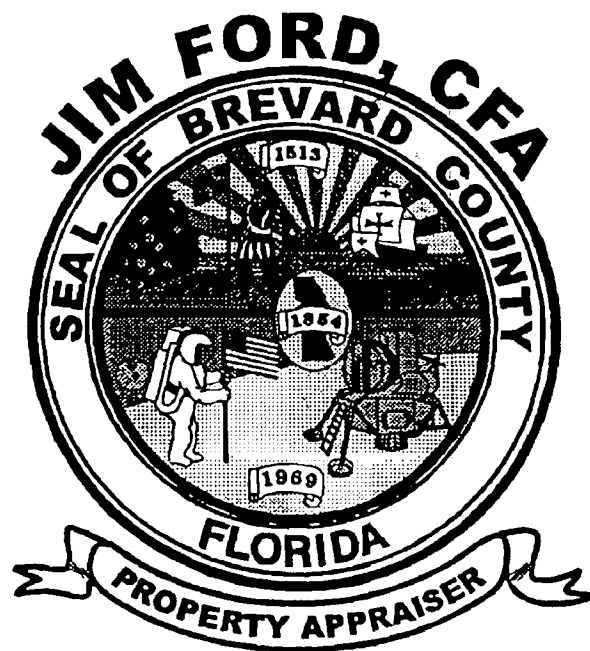
PROPERTY APPRAISER

BREVARD COUNTY PROPERTY APPRAISER

SEPTEMBER 30, 2007

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1
Fund Financial Statements:	3
Balance Sheet – Governmental Funds	4
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual General Fund	6
Notes to the Special-Purpose Financial Statements	7
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	13
MANAGEMENT LETTER	15
MANAGEMENT'S RESPONSE	19



Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Phillip J. Hayes
Brian L. Nemeroff

INDEPENDENT AUDITORS' REPORT

The Honorable Jim Ford
Brevard County Property Appraiser
Brevard County, Florida



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We have audited the accompanying special-purpose financial statements of the major fund of the Brevard County Property Appraiser, as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Property Appraiser's special-purpose financial statements as listed in the table of contents. These financial statements are the responsibility of the Brevard County Property Appraiser's management. Our responsibility is to express opinions on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation of the financial position of Brevard County, Florida and the result of its operation's in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of the Brevard County Property Appraiser, as of September 30, 2007, and the changes in financial position and, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated, July 15, 2008, on our consideration of the Brevard County Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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 the specified parties.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY
PROPERTY APPRAISER
FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2007

BREVARD COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<u>General</u>
ASSETS	
Cash	\$ 462,534
Due from Board	147,082
Prepaid expenses	<u>134,442</u>
Total assets	<u><u>\$ 744,058</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 41,212
Accrued compensation	2,094
Deferred revenue	147,952
Due to Board and Constitutional Officers	457,743
Due to other governmental units	<u>26,831</u>
Total liabilities	<u>\$ 675,832</u>
Fund balance and reserves	
Reserve for prepaid items	\$ 134,442
Fund deficit	<u>(66,216)</u>
Net reserves and fund deficit	<u>\$ 68,226</u>
Total liabilities and fund balance	<u><u>\$ 744,058</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY PROPERTY APPRAISER
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>General</i>
REVENUES	
Charges for services	\$ 880,197
Miscellaneous revenues	83,143
Total revenues	<u>\$ 963,340</u>
EXPENDITURES	
General government	<u>\$ 12,084,928</u>
Deficiency of revenues under expenditures	<u>\$ (11,121,588)</u>
OTHER FINANCING SOURCES AND (USES)	
Transfers from Board and Constitutional Officers	\$ 11,602,126
Transfers to charter officers and other governmental units	<u>(480,538)</u>
Total other financing sources and uses	<u>\$ 11,121,588</u>
Net change in fund balance	<u>\$ (0)</u>
Fund balance - beginning	\$ 84,227
Decrease in reserve for prepaids	<u>(16,001)</u>
Fund balance - ending	<u><u>\$ 68,226</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY PROPERTY APPRAISER

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 394,246	\$ 405,595	\$ 880,197	\$ 474,602
Miscellaneous revenues	0	0	83,143	83,143
Total revenues	\$ 394,246	\$ 405,595	\$ 963,340	\$ 557,745
EXPENDITURES				
General government	\$ 11,671,749	\$ 12,007,721	\$ 12,084,928	\$ (77,207)
Deficiency of revenues under expenditures	\$ (11,277,503)	\$ (11,602,126)	\$ (11,121,588)	\$ 480,538
OTHER FINANCING SOURCES AND (USES)				
Transfers from Board and Constitutional Officers	\$ 11,277,503	\$ 11,602,126	\$ 11,602,126	\$ 0
Transfers to charter officers	0	0	(480,538)	(480,538)
Total other financing sources and uses	\$ 11,277,503	\$ 11,602,126	\$ 11,121,588	\$ (480,538)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balance - beginning	84,227	84,227	84,227	0
Decrease in reserve for prepaids	(16,001)	(16,001)	(16,001)	0
Fund balance - ending	\$ 68,226	\$ 68,226	\$ 68,226	\$ 0

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Brevard County Property Appraiser is a separately elected official established pursuant to the Constitution of the State of Florida.

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days.

The primary revenue sources for governmental funds are charges for services to the Board of County Commissioners and other taxing districts. Primary revenue sources associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenues, such as miscellaneous revenues, are considered to be measurable and available only when payment is received.

Expenditures are generally recorded when liabilities are incurred, as under accrual accounting. However, liabilities such as accumulated sick and vacation pay, insurance and similar items, are recorded only when payment is due.

In applying the modified accrual basis of accounting to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are typically two types of intergovernmental revenues. One type requires monies to be expended for the specific purpose of a project before any amounts will be reimbursed to the Property Appraiser, and therefore, the revenues recognized are based upon recorded expenditures. The other provides monies that are generally unrestricted as to purpose of expenditure and are substantially irrevocable (i.e. revocable only for failure to comply with prescribed compliance requirements). These revenues are recognized at the time of receipt or earlier if they meet the availability criterion.

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

These special-purpose financial statements are fund financial statements that have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes and Chapter 10.550 Rules of the Auditor General. The Property Appraiser is reported as part of the primary government of Brevard County, Florida. The Property Appraiser's special-purpose financial statements do not purport to reflect the financial position or results of operations of Brevard County, Florida, taken as a whole.

Refer to Note 1. C. in the County-wide Financial Statements for additional information.

The Property Appraiser utilizes the following fund type:

General Fund – The General Fund is the general operating fund of the Property Appraiser. All general revenues and other receipts that are not required either legally or by generally accepted accounting principles to be accounted for in other funds are accounted for in the General Fund.

C. Budget

Refer to Note 1. D. in the County-wide Financial Statements.

D. Prepaid Items

Refer to Note 1. I. in the County-wide Financial Statements.

E. Capital Assets

Refer to Note 1. F. in the County-wide Financial Statements. Capital asset activity for the year ended September 30, 2007 was as follows:

	<u>Oct. 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2007</u>
Governmental Activities:				
Operating machinery and equipment	\$1,426,461	\$ 159,169	\$197,615	\$1,388,015
Less accumulated depreciation	<u>803,030</u>	<u>231,566</u>	<u>188,236</u>	<u>846,360</u>
Total governmental activities capital assets, net	<u>\$ 623,431</u>	<u>\$ (72,397)</u>	<u>\$ 9,379</u>	<u>\$ 541,655</u>

F. Investments

Refer to Note 1. J. in the County-wide Financial Statements.

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

G. Accrued Compensated Absences

Refer to Note 1. L. in the County-wide Financial Statements.

The Property Appraiser accrued compensated absences were:

<u>Oct 1, 2006</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2007</u>
\$873,347	\$995,259	\$929,210	\$939,396

Accrued compensated absence liability due within one year is estimated at \$42,000.

H. Reserves of Fund Balances and Net Assets

Refer to Note 1. O. in the County-wide Financial Statements.

I. Use of Estimates

Refer to Note 1. P. in the County-wide Financial Statements.

2. Comparison of Expenditures to Appropriations

Expenditures exceeded appropriations in the General Fund by \$77,207 as a result of mapping expenses. The Property Appraiser receives funding from the Board of County Commissioners to provide field data collections in support of County programs. During the year, actual revenue for mapping services totaled \$474,406 and is included in charges for services. The Florida Department of Revenue does not require that these revenues or expenditures be budgeted. When excluding mapping related amounts, the actual charges for services are \$197 over the final budgeted amounts and the actual general government expenditures are \$363,813 less than the final budgeted amounts.

3. Fund Deficit

The general fund reported a deficit fund balance of \$66,216 at September 30, 2007. The deficit fund balance is the result of the application of accounting principles generally accepted in the United States of America. The Board of County Commissioners provides advances to cover deficit fund balances; however, this is done when cash is needed rather than when accruals occur.

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

3. Fund Deficit (continued)

On February 19, 2008, the Brevard County Board of County Commissioners approved the transfer of \$66,716 to the Property Appraiser to eliminate the fund deficit resulting from the transition from the cash basis to the modified accrual basis of financial accounting in fiscal year 2004 – 2005.

4. Cash and Investments

Refer to Notes 4 and 5 in the County-wide Financial Statements.

The carrying amount of the Property Appraiser's deposits with financial institutions was \$462,534 and the bank balance was \$272,006. The bank balance is categorized as follows:

Amount insured by FDIC or collateralized with securities held by the
State Treasurer in accordance with Chapter 280, Florida Statutes. \$272,006

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities have greater sensitivity to changes in market interest rates. The Property Appraiser does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rate.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity Date</u>
		<u>less than one month</u>
Repurchase agreement	<u>\$ 379,000</u>	<u>\$ 379,000</u>

5. Deferred Compensation

Refer to Note 20 in the County-wide Financial Statements.

6. Retirement

Refer to Note 23 in the County-wide Financial Statements.

The Property Appraiser's contributions for the years ending September 30, 2007, 2006, and 2005 were \$711,702, \$541,503, and \$444,507 respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2007, represented 10% of covered payroll.

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

7. Leases

The Property Appraiser is obligated under an operating lease agreement for office equipment and vehicles through the year 2012. Total cost for the lease was \$120,763 for the year ended September 30, 2007. The future minimum lease payments are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2008	\$ 128,007
2009	119,426
2010	74,732
2011	10,212
2012	<u>5,106</u>
Total	<u>\$ 337,483</u>

8. Risk Management

Refer to Note 19 in the County-wide Financial Statements.

BREVARD COUNTY
PROPERTY APPRAISER

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



**MANAGEMENT LETTER
and
MANAGEMENT RECOMENDATIONS**



MANAGEMENT'S RESPONSE

SEPTEMBER 30, 2007

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

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

Honorable Jim Ford
Brevard County Property Appraiser
Brevard County, Florida



We have audited the special-purpose financial statements of the major fund of the Brevard County Property Appraiser, as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Property Appraiser's special-purpose financial statements and have issued our report thereon dated July 15, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Brevard County Property Appraiser's internal control over financial reporting as a basis for designing our auditing procedures 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 Brevard County Property Appraiser's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Brevard County Property Appraiser's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Brevard County Property Appraiser's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Brevard County Property Appraiser's special-purpose financial statements that is more than inconsequential will not be prevented or detected by the Brevard County Property Appraiser's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the special-purpose financial statements will not be prevented or detected by the Brevard County Property Appraiser's internal control.

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Our consideration of internal control over financial reporting 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Brevard County Property Appraiser's special-purpose 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*.

This report is intended solely for the information and use of management, others within the entity, 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.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & Latham
CPAs and Associates, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

MANAGEMENT LETTER

Honorable Jim Ford
Brevard County Property Appraiser
Brevard County, Florida.

We have audited the special-purpose financial statements of the Brevard County Property Appraiser, as of and for the fiscal year ended September 30, 2007, and have issued our report thereon dated July 15, 2008.

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. We have issued our Independent Auditors' Report on Compliance and Internal Control over Financial Reporting and Other Matters. Disclosures in that report, which are dated July 15, 2008, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and, unless otherwise required to be reported in the report on compliance and internal controls or schedule of findings and questioned costs, this letter is required to include the following information.

- 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 significant findings and recommendations made in the preceding annual financial audit report. Corrective plans have been formulated to address significant findings and recommendations made in the preceding annual financial audit. The items for which the plans are formulated are noted in the attachment to this letter "Management Recommendations."
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Brevard County Property Appraiser complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, recommendations are noted in the attachment to this letter "Management Recommendations."



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- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts and grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)5., Rules of the Auditor General, requires, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred and would have an immaterial effect on the financial statements; (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to; (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)6., 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 Brevard County Property Appraiser was established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). The Brevard County Property Appraiser does not have any related component units.

This management letter is intended solely for the information of the Brevard County Property Appraiser and 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.

July 15, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Brevard County Property Appraiser
MANAGEMENT RECOMMENDATIONS

September 30, 2007

Current Year Recommendation

07-01 Accrued Compensated Absences Deficiencies

Criteria: GASB No. 34, para. 119 require that long-term liabilities be disclosed as to the beginning, ending, increases, decreases and portions due within one year. Accurate and timely recording requires appropriate support that has been authorized by management.

Condition: During our testing of the accrued compensated absences, we noted that the schedule prepared by management, based on data from the payroll system, did not properly account for the estimated liability due at September 30, 2007. The amount reported by the Property Appraiser for inclusion in the Brevard County financial statements as of September 30, 2007 was understated by an amount that would not represent a material misstatement to the financial statements.

Cause: The compensated absences information reporting system was based on a monthly period not a fiscal year. It calculated and considered time balances only. Manual preparation of the required information using a schedule of the accrued compensated absences resulted in an error in calculating the liabilities balance.

Effect: As noted above, the accrued compensated absence balance is reported in the Brevard County financial statements as well as the Property Appraiser's financial statements. The need for accurate and timely reporting impacts not only the Property Appraiser's financial reports, but also Brevard County.

Recommendation: We recommend implementing an effective automated system that will track, monitor and generate information used in the preparation of financial reports and assures that policies are followed. In addition to the segregating of duties as it relates to payroll, we recommend management establish review procedures to ensure that the policies are being adhered.

Brevard County Property Appraiser

MANAGEMENT RECOMMENDATIONS

September 30, 2007

Prior Year Recommendation - Corrected

06-01 Closing Procedure Checklist

Criteria: A closing procedure checklist for the year end closing will ensure a more timely and accurate financial report. Utilization of such a schedule would allow management to assign and track the various functions of the financial statement preparation.

Condition: During our audit, an adjustment totaling \$7,345 was posted to record two deposits identified on the September bank reconciliation that were not recorded in the general ledger. Additionally, other audit entries were proposed and posted during the audit process which could have been detected prior to the audit through the use of an annual closing checklist.

Recommendation: We believe the year-end closing could proceed more quickly by developing a closing schedule that indicates who will perform each procedure and when completion of each procedure is due and accomplished. The procedures should include a review of transactions for completeness, reconciliation of all general ledger accounts, and posting of any adjustments necessary to properly record all transactions under the modified accrual basis of accounting.

Corrective Action: The Property Appraiser implemented the use of a year-end closing procedure for fiscal year ending September 30, 2007.

06-02 Cash Receipts and Petty Cash

Criteria: The Property Appraiser collects and uses fees collected for petty cash type expenditures as needed. Cash receipts and monies collected should be deposited and recorded on a more frequent basis.

Condition: While performing audit procedures, an entry totaling \$1,432 was posted to record revenues and expenditures related to the Mapping and Property Appraiser Information System (PAIS) departments.

Recommendation: The Property Appraiser is in the process of developing written policies for cash receipts and petty cash. We encourage the Property Appraiser to include in these policies procedures for tracking all cash receipts and require regular deposits regardless of the amount of funds collected. Additionally, these policies should include procedures detailing the use of petty cash funds, procedures for replenishing the fund and assign responsibility for the funds to an employee other than a cashier responsible for the cash receipts collection.

Corrective Action: The Property Appraiser has developed and approved a policy for the processing of cash receipts and the establishment of petty cash procedures for all locations accepting funds for services. The policy was implemented July 2008.

JIM FORD, CFA
PROPERTY APPRAISER
BREVARD COUNTY, FLORIDA



www.brevardpropertyappraiser.com

P.O. BOX 429 • TITUSVILLE, FL 32781-0429 • PHONE (321) 264-6700 • FAX (321) 264-5187

August 1, 2008

Honorable David W Martin, CPA
Auditor General, State of Florida
111 West Madison Street
Tallahassee, Florida 32399-1450

Regarding: Response to Auditor's Recommendations

Dear Sir:

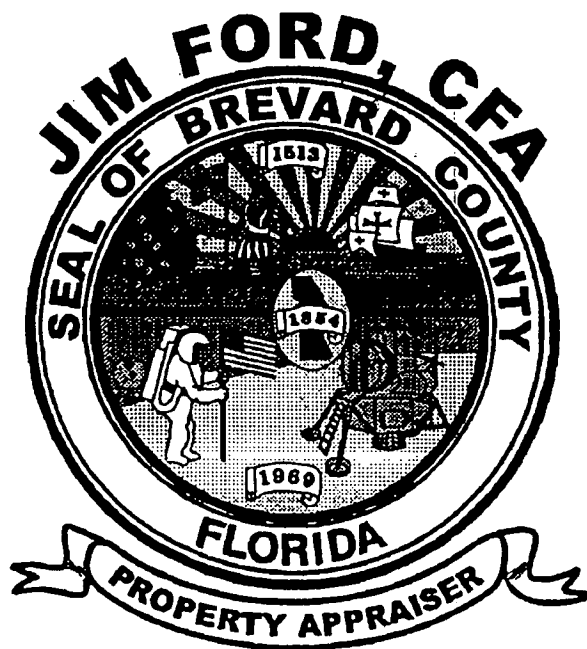
In accordance with Section 11.45, Florida Statutes and Chapter 10.550 Rules of the Auditor General, the following is my response to the auditors' management recommendation for the fiscal year ended September 30, 2007.

Comment 07-1 Deficiencies in Compensated Absences Recording

The Property Appraiser's Office is in general agreement with the auditors' comment and is in the process of re-writing the software that drives the recording and control of the compensated absence information within the Payroll System. This sub-system, designed more than fifteen years ago, served exclusively to reflect the compensated absences balance of each employee at the end of each month. Increases and decreases were not accumulated and retained to meet the requirements of GASB Statement # 34. This updated sub-system, which will support compliance with GASB # 34, will be in place and in use at the beginning of the next fiscal year, October 1, 2008. Enhanced oversight by management will assure appropriate accounting for compensated absences.

Sincerely,

Jim Ford, CFA
Brevard County Property Appraiser



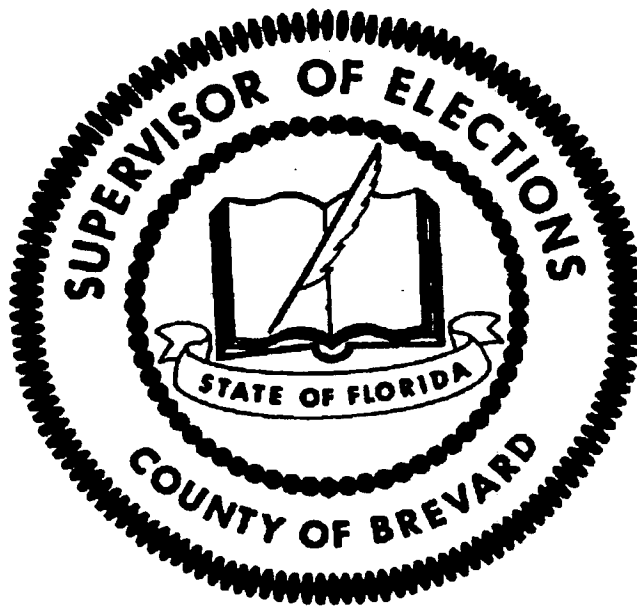
SUPERVISOR OF ELECTIONS

BREVARD COUNTY SUPERVISOR OF ELECTIONS

SEPTEMBER 30, 2007

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1
Fund Financial Statements:	3
Balance Sheet – Governmental Funds	4
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual General Fund	6
Notes to the Special-Purpose Financial Statements	7
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	12
MANAGEMENT LETTER	14



BERMAN & HOPKINS
WRIGHT & LAHAM
CPAS AND ASSOCIATES, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

INDEPENDENT AUDITORS' REPORT

The Honorable Fred D. Galey
Brevard County Supervisor of Elections
Brevard County, Florida



We have audited the accompanying special-purpose financial statements of the major fund of the Brevard County Supervisor of Elections, as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Supervisor of Elections' special-purpose financial statements as listed in the table of contents. These financial statements are the responsibility of the Brevard County Supervisor of Elections' management. Our responsibility is to express opinions on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation of the financial position of Brevard County, Florida and the result of its operation's in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of the Brevard County Supervisor of Elections, as of September 30, 2007, and the changes in financial position and, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, we have also issued our report dated, May 23, 2008, on our consideration of the Brevard County Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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 the specified parties.

May 23, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY
SUPERVISOR OF ELECTIONS

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2007

BREVARD COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	<u>General</u>
ASSETS	
Cash	\$ 393,473
Due from other governmental units	2,442
Accrued interest receivable	8,301
Total assets	<u>\$ 404,216</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Vouchers and contracts payable	\$ 70,329
Deferred income	321,565
Total liabilities	<u>\$ 391,894</u>
Fund balance reserved	<u>\$ 12,322</u>
Total liabilities and fund balance	<u>\$ 404,216</u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SUPERVISOR OF ELECTIONS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>General</i>
REVENUES	
Intergovernmental revenues	\$ 51,897
Charges for services	28,991
Miscellaneous revenues	<u>35,011</u>
Total revenues	<u>\$ 115,899</u>
EXPENDITURES	
General government	<u>\$ 3,418,336</u>
Deficiency of revenues under expenditures	<u>\$ (3,302,437)</u>
OTHER FINANCING SOURCES	
Transfers from charter officers	<u>\$ 3,314,759</u>
Net change in fund balance	\$ 12,322
Fund balance - beginning	<u>0</u>
Fund balance reserved - ending	<u><u>\$ 12,322</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SUPERVISOR OF ELECTIONS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental revenues	\$ 0	\$ 200,045	\$ 51,897	\$ (148,148)
Charges for services	0	21,800	28,991	7,191
Miscellaneous revenues	10,000	10,000	35,011	25,011
Total revenues	<u>\$ 10,000</u>	<u>\$ 231,845</u>	<u>\$ 115,899</u>	<u>\$ (115,946)</u>
EXPENDITURES				
General government	<u>\$ 3,859,511</u>	<u>\$ 4,045,865</u>	<u>\$ 3,418,336</u>	<u>\$ 627,529</u>
Deficiency of revenues under expenditures	<u>\$ (3,849,511)</u>	<u>\$ (3,814,020)</u>	<u>\$ (3,302,437)</u>	<u>\$ 511,583</u>
OTHER FINANCING SOURCES				
Transfers from charter officers	<u>\$ 3,829,301</u>	<u>\$ 3,343,766</u>	<u>\$ 3,314,759</u>	<u>\$ (29,007)</u>
Net change in fund balances	<u>\$ (20,210)</u>	<u>\$ (470,254)</u>	<u>\$ 12,322</u>	<u>\$ 482,576</u>
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances reserved - ending	<u><u>\$ (20,210)</u></u>	<u><u>\$ (470,254)</u></u>	<u><u>\$ 12,322</u></u>	<u><u>\$ 482,576</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY SUPERVISOR OF ELECTIONS
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Brevard County Supervisor of Elections is a separately elected official established pursuant to the Constitution of the State of Florida.

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days.

The primary revenue sources for governmental funds are appropriations from the Board of County Commissioners and charges for services. Primary revenue sources associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenues, such as miscellaneous revenues, are considered to be measurable and available only when payment is received.

Expenditures are generally recorded when liabilities are incurred, as under accrual accounting. However, liabilities such as accumulated sick and vacation pay, are recorded only when payment is due.

In applying the modified accrual basis of accounting to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are typically two types of intergovernmental revenues. One type requires monies to be expended for the specific purpose of a project before any amounts will be reimbursed to the Supervisor of Elections, and therefore, the revenues recognized are based upon recorded expenditures. The other provides monies that are generally unrestricted as to purpose of expenditure and are substantially irrevocable (i.e. revocable only for failure to comply with prescribed compliance requirements). These revenues are recognized at the time of receipt or earlier if they meet the availability criterion.

These special-purpose financial statements are fund financial statements that have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes and Chapter 10.550 Rules of the Auditor General. The Supervisor of Elections is reported as part of the primary government of Brevard County, Florida. The Supervisor of Elections' special-purpose financial statements do not purport to reflect the financial position or results of operations of Brevard County, Florida, taken as a whole.

BREVARD COUNTY SUPERVISOR OF ELECTIONS
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

Refer to Note 1. C. in the County-wide Financial Statements for additional information.

The Supervisor of Elections utilizes the following fund type:

General Fund – The General Fund is the general operating fund of the Supervisor of Elections. All general revenues and other receipts that are not required either legally or by generally accepted accounting principles to be accounted for in other funds are accounted for in the General Fund.

C. Budget

Refer to Note 1. D. in the County-wide Financial Statements.

D. Capital Assets

Refer to Note 1. F. in the County-wide Financial Statements.

	<u>Oct. 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2007</u>
Governmental Activities:				
Operating machinery and equipment	\$2,597,032	\$ 36,113	\$78,413	\$2,554,732
Less accumulated depreciation	<u>1,100,087</u>	<u>254,367</u>	<u>77,007</u>	<u>1,277,447</u>
Total governmental activities capital assets, net	<u>\$1,496,945</u>	<u>\$(218,254)</u>	<u>\$ 1,406</u>	<u>\$1,277,285</u>

Capital assets used by the Supervisor of Elections' operations are recorded in the governmental fund types as expenditures 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.

E. Investments

Refer to Note 1. J. in the County-wide Financial Statements.

F. Accrued Compensated Absences

Refer to Note 1. L. in the County-wide Financial Statements.

The Supervisor of Elections' accrued compensated absences were:

<u>Oct 1, 2006</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2007</u>
\$191,414	\$0	\$26,395	\$165,019

BREVARD COUNTY SUPERVISOR OF ELECTIONS
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

The accrued compensated absence due within one year is estimated at \$0.

G. Reserves of Fund Balances

Refer to Note 1. O. in the County-wide Financial Statements.

H. Use of Estimates

Refer to Note 1. P. in the County-wide Financial Statements.

2. Cash and Investments

Refer to Notes 4 and 5 in the County-wide Financial Statements.

Cash in the amount of \$393,473 represents book value.

Amount insured by the FDIC or collateralized with securities held by
the State Treasurer in accordance with Chapter 280, Florida Statutes. \$393,473

3. Deferred Compensation

Refer to Note 20 in the County-wide Financial Statements.

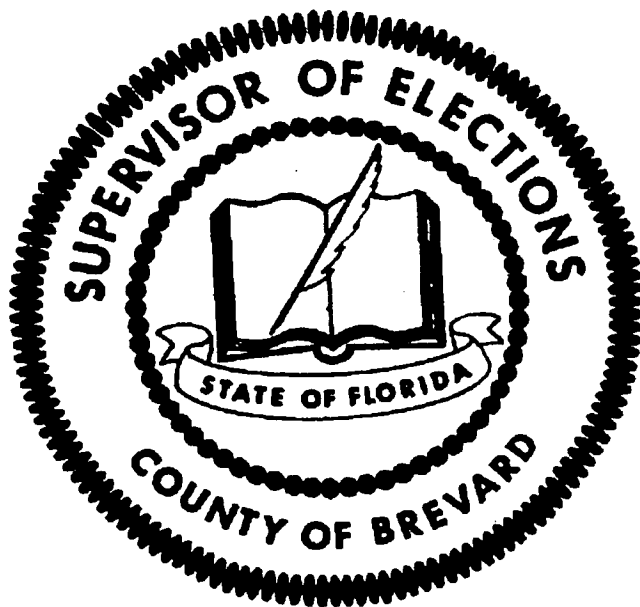
4. Retirement

Refer to Note 23 in the County-wide Financial Statements.

The Supervisor of Elections' contributions for the years ending September 30, 2007, 2006, and 2005 were \$162,755, \$127,678, and \$112,163, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2007 represented 10.34% of covered payroll.

5. Risk Management

Refer to Note 19 in the County-wide Financial Statements.



BREVARD COUNTY
SUPERVISOR OF ELECTIONS

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



MANAGEMENT LETTER

SEPTEMBER 30, 2007

BERMAN HOPKINS
WRIGHT & LAHAM
CPAS AND ASSOCIATES, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable Fred D. Gale
Brevard County Supervisor of Elections
Brevard County, Florida



We have audited the special-purpose financial statements of the major fund of the Brevard County Supervisor of Elections, as of and for the year ended September 30, 2007, which collectively comprise the Brevard County Supervisor of Elections' special-purpose financial statements and have issued our report thereon dated May 23, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Brevard County Supervisor of Elections' internal control over financial reporting as a basis for designing our auditing procedures 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 Brevard County Supervisor of Elections' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Brevard County Supervisor of Elections' internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Brevard County Supervisor of Elections' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Brevard County Supervisor of Elections' special-purpose financial statements that is more than inconsequential will not be prevented or detected by the Brevard County Supervisor of Elections' internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the special-purpose financial statements will not be prevented or detected by the Brevard County Supervisor of Elections' internal control.

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Our consideration of internal control over financial reporting 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Brevard County Supervisor of Elections' special-purpose 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*.

This report is intended solely for the information and use of management, others within the entity, 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.

May 23, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Partners:

John R. Hopkins
James A. Wright, Jr.
James S. LaHam
Ross A. Whitley
W. Ed Moss
Philip J. Hayes
Brian L. Nemeroff

MANAGEMENT LETTER

Honorable Fred D. Galey
Brevard County Supervisor of Elections
Brevard County, Florida

We have audited the special-purpose financial statements of the Brevard County Supervisor of Elections, as of and for the fiscal year ended September 30, 2007, and have issued our report thereon dated May 23, 2008.



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. We have issued our Independent Auditors' Report on Compliance and Internal Control over Financial Reporting and Other Matters. Disclosures in that report, which are dated May 23, 2008, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and, unless otherwise required to be reported in the report on compliance and internal controls or schedule of findings and questioned costs, this letter is required to include the following information.

- 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 significant findings and recommendations made in the preceding annual financial audit report. There were no recommendations in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Brevard County Supervisor of Elections complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such recommendations.

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- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts and grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)5., Rules of the Auditor General, requires, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred and would have an immaterial effect on the financial statements; (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to; (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)6., 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 Brevard County Supervisor of Elections was established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). The Brevard County Supervisor of Elections does not have any related component units.

This management letter is intended solely for the information of the Brevard County Supervisor of Elections and 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.

May 23, 2008
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

