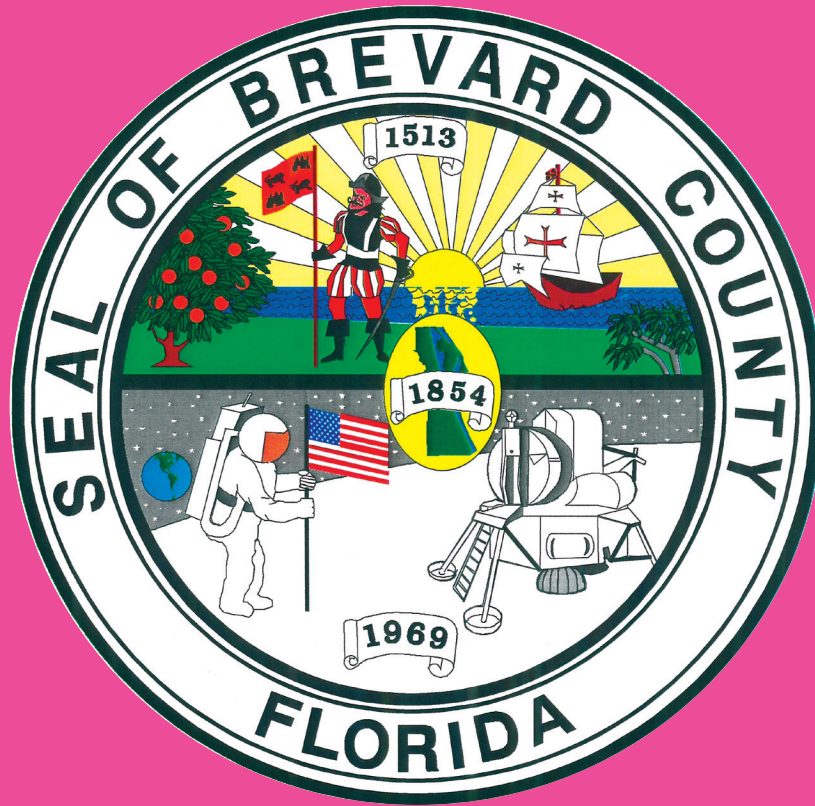


# ANNUAL FINANCIAL AUDITS



***BREVARD COUNTY  
SHERIFF  
CLERK OF THE CIRCUIT COURT  
TAX COLLECTOR  
PROPERTY APPRAISER  
SUPERVISOR OF ELECTIONS***

**Brevard County, Florida**  
For the Year Ended September 30, 2014

# BREVARD COUNTY

BREVARD COUNTY, FLORIDA  
ANNUAL FINANCIAL REPORT  
TABLE OF CONTENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Exhibit</u>	<u>Page Number</u>
<b><u>I. INTRODUCTORY SECTION</u></b>		
Table of Contents		i
<b><u>II. FINANCIAL SECTION</u></b>		
Independent Auditor's Report		1
Management's Discussion and Analysis		4
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	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 Position – 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 Balances 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
Grants	A-8	30
Statement of Net Position – Proprietary Funds	A-9	32
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	A-10	36
Statement of Cash Flows – Proprietary Funds	A-11	38
Statement of Fiduciary Net Position – Fiduciary Funds	A-12	42
Notes to Financial Statements	A-13	43
Required Supplementary Information:		
Schedule of Funding Progress for the Retiree Health Plan	A-14	70
Combining and Individual Funds Statements and Schedules:		
Combining Balance Sheet – Nonmajor Governmental Funds	B-1	74
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	B-2	80

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

	<u>Exhibit</u>	<u>Page Number</u>
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:		
Special Revenue Funds	C-1	86
Debt Service Funds	D-1	99
Capital Projects Funds	E-1	102
Combining Statement of Net Position – Nonmajor Proprietary Funds	F-1	106
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Proprietary Funds	F-2	108
Combining Statement of Cash Flows – Nonmajor Proprietary Funds	F-3	110
Combining Statement of Net Position – Internal Service Funds	G-1	114
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds	G-2	115
Combining Statement of Cash Flows – Internal Service Funds	G-3	116
Combining Statement of Fiduciary Net Position – Fiduciary Funds	H-1	118
Combining Statement of Changes in Assets and Liabilities - Fiduciary Funds	H-2	120
Combining Statement of Net Position – Component Units	I-1	124
Statement of Activities – Component Units	I-2	126

	<u>Table</u>	<u>Number</u>
<b>III. SINGLE AUDIT SECTION</b>		
Schedule of Expenditures of Federal Awards and State Financial Assistance	1	130
Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Preformed In Accordance With <i>Government Auditing Standards</i>		138
Independent Auditor's Report On Compliance For Each Major Federal Program And State Project And Report On Internal Control Over Compliance Required By OMB Circular A-133 And Chapter 10.550 Rules Of The Auditor General		140
Schedule Of Findings And Questioned Costs		143
Management Letter And Management Recommendations		146
Independent Accountant's Report On Investment Compliance		150

## INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
Brevard County, Florida

### **Report on the Financial Statements**

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, 2014, and the related notes to the financial statements, which collectively comprise the Brevard County, Florida's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Titusville-Cocoa Airport Authority, and Brevard County Housing Finance Authority, which collectively represents 98 percent, 98 percent and 88 percent, of the assets, net position, 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 from material misstatement.

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

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

### ***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, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof and respective budgetary comparison for the General, Emergency Services, Brevard County Transportation Trust, and Grants Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Brevard County, Florida's basic financial statements. The introductory section, combining and individual nonmajor 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 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.

The combining and individual nonmajor fund financial statements and schedules as listed on the table of contents, and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements 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 do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2015, on our consideration of the Brevard County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Brevard County's internal control over financial reporting.

Melbourne, Florida  
March 19, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

# Management's Discussion and Analysis

As Clerk of the Circuit Court for Brevard County, I 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, 2014. I 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 and deferred outflows of resources exceeded its liabilities at September 30, 2014 by \$997.4 million (net position). Of this amount, \$81.9 million (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased \$8.0 million over the previous year with \$7.4 million of the increase resulting from business-type activities and \$.6 million resulting from governmental activities.
- The General Fund reported a fund balance of \$29.2 million, a decrease of \$7.2 million from the previous fiscal year.
- Total bonded debt decreased \$17.1 million (6.6%) in fiscal year 2014.

## 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 position presents information on all of Brevard County's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will 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 services 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 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 twenty-three individual governmental funds. The General Fund represents the chief operating fund. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Emergency Services, Brevard County Transportation Trust, and Grants, 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-8 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 services 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 Exhibits F-1 to G-3 of this report.

The basic proprietary fund financial statements can be found on Exhibits A-9 to A-11 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-12 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-13 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning Brevard County's progress in funding its obligation to provide other postemployment benefits to its employees. Required supplementary information can be found on Exhibit A-14 of this report.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Brevard County, assets and deferred outflows of resources exceeded liabilities by \$997.4 million at the close of the most recent fiscal year. Brevard County's increase in net position for this fiscal year amounts to \$8.0 million.

The largest portion of Brevard County's net position (77 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.

The government-wide financial analysis does not consider any legislative or spending restrictions within the governmental and business-type activities. For example, gas taxes are usually restricted to road construction/maintenance. Property taxes levied for fire/rescue would be restricted to fire/rescue purposes. The composition of the County's net position can be used as an indication of overall financial condition.

#### Brevard County's Net Position (in millions)

	Governmental Activities		Business-type Activities		Total		
	2014	2013	2014	2013	2014	2013	% Change
Current and other assets	\$ 305.7	\$ 317.8	\$ 114.3	\$ 106.2	\$ 420.0	\$ 424.0	(0.9)
Capital assets	789.1	763.8	227.1	227.8	1,016.2	991.6	2.5
Total assets	\$ 1,094.8	\$ 1,081.6	\$ 341.4	\$ 334.0	\$ 1,436.2	\$ 1,415.6	1.5
Deferred outflows of resources	\$ 4.4	\$ 3.8	\$ 0.0	\$ 0.0	\$ 4.4	\$ 3.8	15.8
Long-term liabilities	\$ 313.2	\$ 306.0	\$ 53.5	\$ 54.3	\$ 366.7	\$ 360.3	1.8
Other liabilities	68.6	62.6	7.9	7.1	76.5	69.7	9.8
Total liabilities	\$ 381.8	\$ 368.6	\$ 61.4	\$ 61.4	\$ 443.2	\$ 430.0	3.1
Net position							
Net investment in capital assets	\$ 556.6	\$ 536.1	\$ 210.0	\$ 209.3	\$ 766.6	\$ 745.4	2.8
Restricted	148.7	162.2	0.2	0.2	148.9	162.4	(8.3)
Unrestricted	12.1	18.5	69.8	63.1	81.9	81.6	0.4
Total net position	\$ 717.4	\$ 716.8	\$ 280.0	\$ 272.6	\$ 997.4	\$ 989.4	0.8

The restricted portion of Brevard County's net position (15 percent) represents resources that are subject to external restrictions on how they may be used. The restrictions include acquiring land for preservation, beach restoration, fire/rescue, capital improvements to parks and road construction/resurfacing. The restrictions are imposed by actions such as local ordinances or bond covenants. The remaining balance of unrestricted net position (\$81.9 million) may be used to meet the government's ongoing obligations to citizens and creditors within the respective governmental and business-type activities. The total unrestricted net position increased \$3 million, however the net position attributable to governmental activities decreased \$6.4 million. The County's risk management program reported a substantial (\$5.7 million) loss in fiscal year 2014 as reserves were used to offset increasing health care costs. In fiscal year 2015, the County increased insurance rates to offset health care costs.

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

The Changes in Net Position displayed below shows the governmental and business-type activities during the fiscal year.

**Brevard County's Changes in Net Position**  
(in millions)

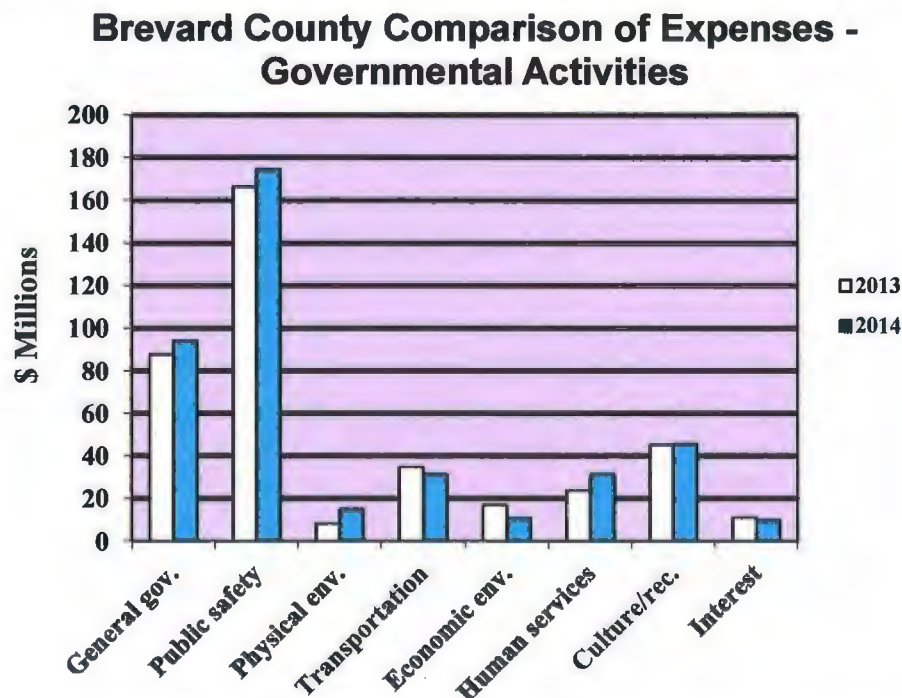
	Governmental Activities		Business-type Activities		Total		
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>% Change</u>
Revenues							
Program revenues:							
Charges for services	\$ 103.9	\$ 100.9	\$ 72.0	\$ 70.0	\$ 175.9	\$ 170.9	2.9
Operating grants and contributions	34.7	41.8	7.9	7.1	42.6	48.9	(12.9)
Capital grants and contributions	11.8	10.6	6.8	3.8	18.6	14.4	29.2
General revenues:							
Property taxes	188.8	183.8	0.0	0.0	188.8	183.8	2.7
Other taxes	28.2	27.6	0.0	0.0	28.2	27.6	2.2
State shared	32.0	30.5	0.0	0.0	32.0	30.5	4.9
Interest	0.8	1.0	0.4	0.4	1.2	1.4	(14.3)
Other	12.6	10.7	0.9	0.6	13.5	11.3	19.5
Total revenues	<u>\$ 412.8</u>	<u>\$ 406.9</u>	<u>\$ 88.0</u>	<u>\$ 81.9</u>	<u>\$ 500.8</u>	<u>\$ 488.8</u>	<u>2.5</u>
Expenses:							
General government	\$ 94.0	\$ 87.6	\$ 0.0	\$ 0.0	\$ 94.0	\$ 87.6	7.3
Public safety	174.6	166.5	0.0	0.0	174.6	166.5	4.9
Physical environment	15.2	8.2	0.0	0.0	15.2	8.2	85.4
Transportation	31.4	34.7	0.0	0.0	31.4	34.7	(9.5)
Economic environment	10.8	16.9	0.0	0.0	10.8	16.9	(36.1)
Human services	31.6	23.7	0.0	0.0	31.6	23.7	33.3
Culture and recreation	45.8	45.4	0.0	0.0	45.8	45.4	0.9
Interest on long-term debt	10.0	11.1	0.0	0.0	10.0	11.1	(9.9)
Solid waste	0.0	0.0	34.7	36.4	34.7	36.4	(4.7)
Water resources	0.0	0.0	27.4	27.3	27.4	27.3	0.4
Transit services	0.0	0.0	13.9	12.6	13.9	12.6	10.3
Golf courses	0.0	0.0	3.4	3.1	3.4	3.1	9.7
Total expenses	<u>\$ 413.4</u>	<u>\$ 394.1</u>	<u>\$ 79.4</u>	<u>\$ 79.4</u>	<u>\$ 492.8</u>	<u>\$ 473.5</u>	<u>4.1</u>
Change in net position before transfers	\$ (0.6)	\$ 12.8	\$ 8.6	\$ 2.5	\$ 8.0	\$ 15.3	(47.7)
Transfers	<u>1.2</u>	<u>1.9</u>	<u>(1.2)</u>	<u>(1.9)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Increase in net position	<u>\$ 0.6</u>	<u>\$ 14.7</u>	<u>\$ 7.4</u>	<u>\$ 0.6</u>	<u>\$ 8.0</u>	<u>\$ 15.3</u>	<u>(47.7)</u>
Net position beginning	\$ 716.8	\$ 703.6	\$ 272.6	\$ 272.1	\$ 989.4	\$ 975.7	1.4
Cumulative effect of restatement of prior year balances	<u>0.0</u>	<u>(1.5)</u>	<u>0.0</u>	<u>(0.1)</u>	<u>0.0</u>	<u>(1.6)</u>	<u>100.0</u>
Net position ending	<u>\$ 717.4</u>	<u>\$ 716.8</u>	<u>\$ 280.0</u>	<u>\$ 272.6</u>	<u>\$ 997.4</u>	<u>\$ 989.4</u>	<u>0.8</u>

**Financial Analysis of Governmental Activities**

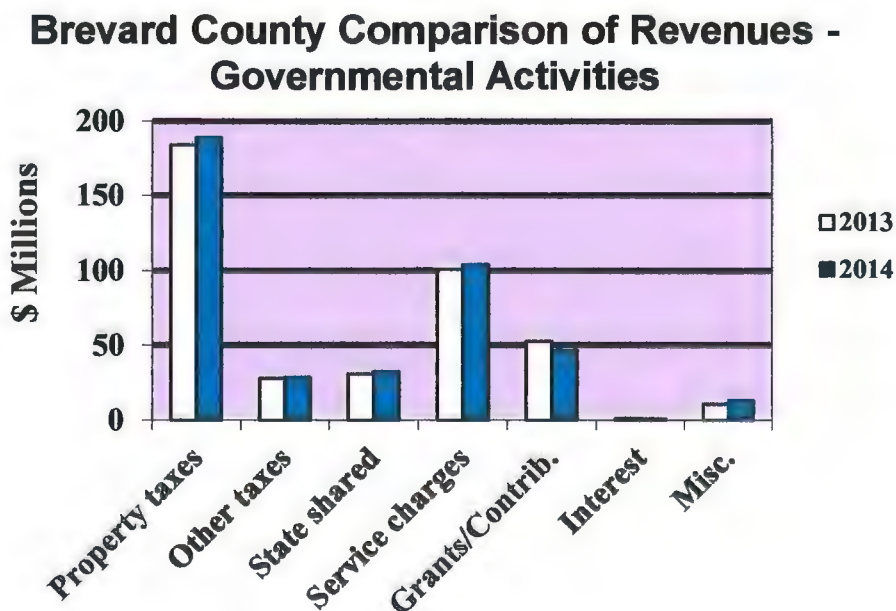
Charges for services increased \$3 million resulting from additional revenues received from the Clerk's re-entry into the County's self-insured medical plan as well as a modest increase to insurance rates, and the Clerk's office annual funding shifted from State appropriation to court fees. Federal and State funding for disaster recovery and housing were reduced by approximately \$7.1 million from the prior year.

Governmental activities increased the County's net position by \$.6 million, compared to an increase of \$14.7 million in the previous year. Public safety expenses increased \$8.1 million. The County applied \$2.9 million to upgrading law enforcement's computer aided dispatch and records management systems. There was also an increase in the public safety salary and retirement costs. Physical environment expenses increased \$7 million as a result of beach renourishment. Economic environment expenses dropped \$6.1 million as a result of a reduction in Housing grants. The County distributed education impact fees of \$8.7 million to the Brevard County public schools, which increased human services expenses.

The chart comparing the major expenses of governmental activities for fiscal years 2013 and 2014 is as follows:



Property tax collections increased \$5 million as a result of an increase in taxable assessed values. Increased revenues from sales tax and state shared improved along with the economy. The chart comparing the major revenues of governmental activities for fiscal years 2013 and 2014 is as follows:



## Financial Analysis of Business-type Activities

Business-type activities increased the County's net position by \$7.4 million, compared to \$.6 million in the previous year. The County's water resources operations experienced the largest increase in net position at \$6.4 million. The County's Space Coast Area Transit operations reported a \$.4 million increase and solid waste operations reported a \$1.7 million increase in net position. The individual operations are explained on the next page under proprietary funds.

## Financial Analysis of Brevard County's Funds

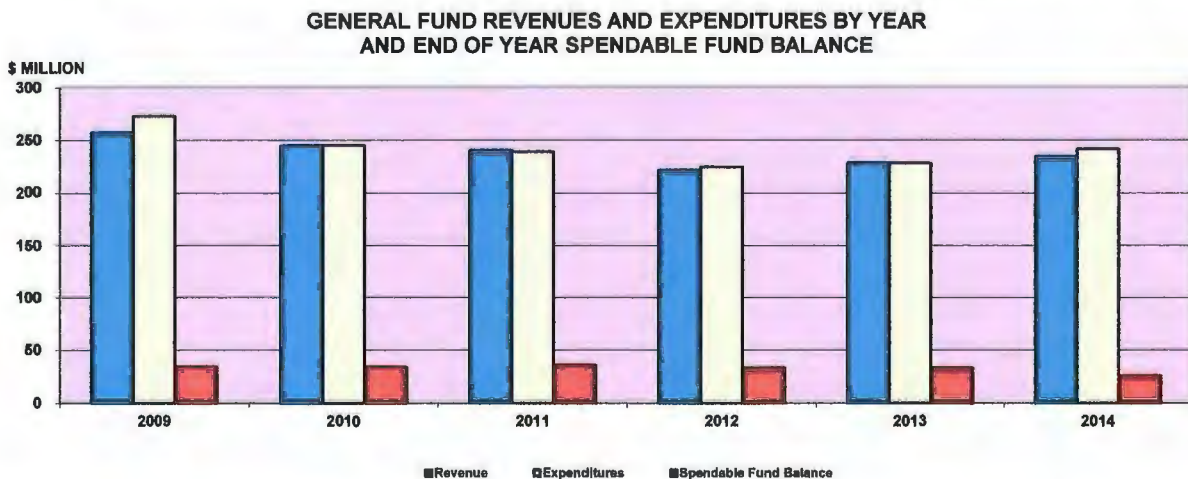
As noted earlier, Brevard County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### 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, 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, 2014, Brevard County governmental funds reported combined fund balances of \$214.2 million, a decrease of \$14.7 million from the prior year balances. The General Fund purchased \$6.3 million of helicopters and other equipment from debt proceeds carried over from the prior year. The remainder of the \$8.4 million decrease in fund balance was from annual operations. Expenditures for road projects in the Brevard County Transportation Trust continue to be funded by bond proceeds carried forward from prior years.

At September 30, 2014, total fund balance in the General Fund was \$29.2 million, of which \$26 million was spendable. As a measure of liquidity, the spendable General Fund balance compared to total fund expenditures and other financing uses was at 10.8 percent at fiscal year-end. The General Fund's annual fiscal pattern is as follows:



Emergency Services received \$59.1 million of dedicated property taxes, fire assessment, ambulance fees and General Fund financial support during fiscal year 2014. The department expended \$58.5 million for fire protection, ambulance, hazardous material mitigation, other emergency services and some capital renovations. The \$21.2 million in fund balance is a slight reduction from fiscal year 2013.

The fund balance in the Brevard County Transportation Trust fund decreased by \$6.8 million in fiscal year 2014 as expenditures continued for major road projects. The \$73.4 million restricted fund balance in fiscal year 2014 includes \$38.2 million from the Local Option Fuel Tax Bonds issued in 2007 while the remainder represents impact fees and gas taxes for infrastructure improvements.

The Tourism Development Tax fund balance increased \$.5 million in fiscal year 2014 to a total of \$21.3 million. The fund balance included \$11.2 million to be used for beach improvement, restoration, and erosion control. The Space Coast Stadium, conventions, and other smaller projects make up the remainder.

The Grants fund receives Federal and State funding for public safety, human assistance, transportation and other public services. The Grants fund reported a net decrease in fund balance of \$.6 million, increasing the deficit fund balance to \$4.3 million at year end. The deficit fund balance is primarily a result of grant reimbursements not received within the first 90 days of the subsequent fiscal year.

**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, 2014, total net position amounted to \$277.9 million for enterprise funds as compared to \$269.6 million at September 30, 2013. Net position 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 an increase in net position of \$1.8 million. The total current assets of \$72.8 million include \$31.4 million restricted for landfill closure. The department disbursed \$4 million to acquire, construct or improve capital assets during the fiscal year. Future landfill and facilities expansion will be accommodated with operating resources and capital financing.

The Water Resources Department reported an increase in net position for fiscal year 2014 of \$6.4 million, compared to the \$2.8 million increase in net position in the preceding fiscal year. In fiscal year 2014, the County approved annually increasing user rates through 2019. Effective January 2019, rates will be adjusted by the consumer price index not to exceed 5 percent annually. The scheduled rate adjustments will support the capital bonds issued in fiscal year 2015 to finance capital improvements to the system. The capital contributions, including impact fees and developer contributions, increased from \$1.8 million in fiscal year 2013 to \$3.3 million in fiscal year 2014.

The Barefoot Bay Water & Sewer District reported net position remained constant with the preceding year. The coverage of net available revenue over debt service for the fiscal year was 126 percent which exceeded the bond requirements. In fiscal year 2014, the County approved annually increasing user rates through 2016. Effective January 2017, rates will be adjusted by the consumer price index not to exceed 5 percent annually.

### General Fund Budgetary Highlights

A budget to actual statement is provided for the General Fund. A column is presented for both the original adopted budget and the final amended budget.

A comparison of the original to the final operating revenue budget shows an increase of \$3.5 million, primarily as a result of increases in grants and other miscellaneous revenue estimates. Expenditures were \$11 million less than final budgeted amounts.

### 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, 2014, amounts to \$1 billion (net of accumulated depreciation). This investment in capital assets includes land, easements, buildings and structures, improvements, goodwill, machinery and equipment, and park facilities. The roads, highways, bridges and other infrastructure are also included. Brevard County's investment in capital assets for the current fiscal year increased 2.5 percent.

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

	Governmental Activities		Business-type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$ 249.8	\$ 244.4	\$ 37.5	\$ 37.9	\$ 287.3	\$ 282.3
Easements	0.3	0.2	0.0	0.0	0.3	0.2
Goodwill	0.0	0.0	0.9	1.0	0.9	1.0
Construction in progress	30.0	48.7	18.5	15.6	48.5	64.3
Building and structures	218.0	216.6	30.9	32.4	248.9	249.0
Infrastructure	162.4	137.8	16.3	15.5	178.7	153.3
Improvements to land	48.4	43.0	3.9	3.6	52.3	46.6
Improvements other than building	20.3	22.0	97.9	101.4	118.2	123.4
Machinery and equipment	59.9	51.1	21.2	20.4	81.1	71.5
	<u>\$ 789.1</u>	<u>\$ 763.8</u>	<u>\$ 227.1</u>	<u>\$ 227.8</u>	<u>\$ 1,016.2</u>	<u>\$ 991.6</u>

Additional information on Brevard County's capital assets can be found in notes to financial statements (Exhibit A-13, Note 8).



**Long-term debt.** At the end of the current fiscal year, Brevard County had total bonded debt outstanding of \$242.4 million, which is a 6.6 percent decrease from fiscal year 2013. Of this amount, \$103.1 million comprises debt backed by voter approved property taxes and \$139.3 million is secured solely by specified revenue sources such as gas taxes and utility revenues.

**Brevard County's Outstanding Debt  
(in millions)**

General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Limited Ad Valorem Tax Bonds	\$ 103.1	\$ 112.2	\$ 0.0	\$ 0.0	\$ 103.1	\$ 112.2
Revenue bonds	123.0	129.8	16.3	17.5	139.3	147.3
	<u>\$ 226.1</u>	<u>\$ 242.0</u>	<u>\$ 16.3</u>	<u>\$ 17.5</u>	<u>\$ 242.4</u>	<u>\$ 259.5</u>

Additional information on Brevard County's long-term debt can be found in the notes to financial statements (Exhibit A-13, Note 14)

**Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for Brevard County is currently 5.7 percent, which was a decrease from a rate of 6.5 percent a year ago. The state and national average unemployment rates are 5.6 percent.
- Total property valuation increased from \$45.5 billion to \$49.7 billion. Taxable property valuation increased from \$25.7 billion to \$28.0 billion. The valuation of Save Our Homes exemptions is \$3.3 billion, up from \$1.7 billion in 2013.

Brevard County experienced a slight increase in general revenues over the preceding year. Millages levied on increased property valuations were reduced while revenues from sales taxes increased. The number of building permits issued during 2014 was 13,732, an 11 percent increase over the prior year. The debt per capita has continued to decline as obligations are retired.

All of these factors were considered in preparing Brevard County's budget for the 2015 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 the Basic Financial Statements or other accounting information provided in this report should be addressed to the Finance Director, 400 South St. Titusville, Florida 32780. Questions concerning budgets, long-term financial planning, or the management of County operations should be addressed to the County Manager, 2725 Judge Fran Jamieson Way, Viera, Florida 32940. 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 POSITION  
SEPTEMBER 30, 2014

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 267,853,343	\$ 70,050,736	\$ 337,904,079	\$ 8,414,806
Cash with escrow and paying agents	1,225,085	0	1,225,085	0
Investments	0	0	0	927,844
Receivables (net of allowance for uncollectibles)	11,639,064	944,162	12,583,226	711,052
Taxes receivable	467,408	0	467,408	0
Assessments receivable	89,005	0	89,005	0
Accrued interest receivable	293,157	123,243	416,400	1,601
Internal balances	(2,403,577)	2,403,577	0	0
Due from component units	209,958	0	209,958	0
Due from other governmental units	17,436,815	5,723,977	23,160,792	541,506
Inventory of supplies	5,459,315	1,097,177	6,556,492	0
Prepaid items	2,850,531	1,093,814	3,944,345	9,409
Restricted assets:				
Cash and cash equivalents	0	32,796,057	32,796,057	0
Capital assets, not being depreciated:				
Land	249,830,737	37,465,919	287,296,656	14,204,818
Easements	282,305	0	282,305	0
Goodwill	0	940,130	940,130	0
Construction in progress	30,043,242	18,474,537	48,517,779	10,026,899
Capital assets, net of accumulated depreciation:				
Buildings and structures	218,005,158	30,930,045	248,935,203	13,957,228
Infrastructure	162,355,525	16,306,207	178,661,732	0
Improvements to land	48,370,557	3,933,973	52,304,530	1,279,561
Improvements other than buildings	20,303,103	97,867,954	118,171,057	13,498,616
Machinery and equipment	59,953,982	21,179,564	81,133,546	1,341,546
Unamortized bond insurance	536,956	69,140	606,096	0
Total assets	\$ 1,094,801,669	\$ 341,400,212	\$ 1,436,201,881	\$ 64,914,886
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	\$ 4,388,374	\$ 15,198	\$ 4,403,572	\$ 0

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

	<i>Primary Government</i>			<i>Component Units</i>
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	
<b>LIABILITIES</b>				
Vouchers and contracts payable	\$ 15,276,192	\$ 5,055,157	\$ 20,331,349	\$ 864,542
Accrued wages and benefits payable	12,588,808	0	12,588,808	0
Accrued interest payable	1,838,156	353,957	2,192,113	0
Due to primary government	0	0	0	209,958
Due to other funds	1,992	0	1,992	0
Due to other governmental units	1,414,627	78,354	1,492,981	0
Unearned revenue	5,492,273	0	5,492,273	37,865
Customer deposits	0	815,041	815,041	215,296
Noncurrent liabilities:				
Due within one year:				
Claims payable	9,209,403	0	9,209,403	0
Compensated absences	3,152,448	221,407	3,373,855	115,303
Intergovernmental payable	86,641	0	86,641	0
Leases payable	163,725	0	163,725	0
Notes payable	0	0	0	200,506
Bonds payable	19,403,435	1,386,565	20,790,000	0
Due in more than one year:				
Claims payable	7,938,843	0	7,938,843	0
Landfill closure and postclosure care	0	33,661,491	33,661,491	0
Compensated absences	24,866,906	1,603,897	26,470,803	0
Intergovernmental payable	173,283	0	173,283	0
Other postemployment benefits	22,195,312	2,572,250	24,767,562	124,631
Leases payable	214,587	0	214,587	0
Notes payable	20,583,000	828,000	21,411,000	633,836
Bonds payable (net of unamortized discounts)	237,163,702	14,859,994	252,023,696	0
Total liabilities	\$ 381,763,333	\$ 61,436,113	\$ 443,199,446	\$ 2,401,937
<b>NET POSITION</b>				
Net investment in capital assets	\$ 556,562,870	\$ 210,038,968	\$ 766,601,838	\$ 53,474,326
Restricted for:				
Debt service	471,499	0	471,499	0
Renewal and replacement	0	163,251	163,251	0
General government	4,295,268	0	4,295,268	0
Education	5,732,403	0	5,732,403	0
Public safety	24,808,189	0	24,808,189	0
Physical environment	14,099,433	0	14,099,433	0
Transportation	54,046,734	0	54,046,734	0
Economic environment	22,262,239	0	22,262,239	0
Human services	4,198,896	0	4,198,896	0
Culture and recreation	18,836,198	0	18,836,198	0
Housing	0	0	0	47,000
Unrestricted	12,112,981	69,777,078	81,890,059	8,991,623
Total net position	\$ 717,426,710	\$ 279,979,297	\$ 997,406,007	\$ 62,512,949

BREVARD COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 94,021,364	\$ 37,587,966	\$ 8,130,869	\$ 5,291,163
Public safety	174,607,168	45,662,533	5,411,074	173,629
Physical environment	15,190,942	4,407,682	1,401,206	1,482,705
Transportation	31,350,904	6,642,054	10,219,427	4,833,433
Economic environment	10,821,182	16,554	5,517,247	0
Human services	31,622,281	4,847,975	2,826,216	0
Culture and recreation	45,810,348	4,768,186	1,192,965	0
Interest on long-term debt	10,040,063	0	0	0
Total governmental activities	<u>\$ 413,464,252</u>	<u>\$ 103,932,950</u>	<u>\$ 34,699,004</u>	<u>\$ 11,780,930</u>
Business-type activities:				
Solid Waste	\$ 34,706,297	\$ 36,333,868	\$ 0	\$ 365,904
Water Resources	27,405,867	31,527,728	0	3,409,483
Transit Services	13,913,143	1,701,490	7,921,582	2,998,787
County-wide golf courses	3,354,751	2,436,389	0	1,794
Total business type activities	<u>\$ 79,380,058</u>	<u>\$ 71,999,475</u>	<u>\$ 7,921,582</u>	<u>\$ 6,775,968</u>
Total primary government	<u>\$ 492,844,310</u>	<u>\$ 175,932,425</u>	<u>\$ 42,620,586</u>	<u>\$ 18,556,898</u>
Component units:				
North Brevard County				
Public Library District	\$ 2,017	\$ 2,694	\$ 0	\$ 0
Merritt Island Redevelopment Agency	1,862,191	0	390,410	0
North Brevard Economic Development Zone	170,596	0	0	0
Titusville-Cocoa Airport Authority	3,344,184	2,100,902	0	7,185,954
Housing Finance Authority	126,142	160,245	0	0
Total component units	<u>\$ 5,505,130</u>	<u>\$ 2,263,841</u>	<u>\$ 390,410</u>	<u>\$ 7,185,954</u>

General revenues:

Taxes:

Ad valorem taxes, levied for general purposes  
Ad valorem taxes, levied for debt service  
Communications services tax  
Local option gas tax  
Tourist tax  
Other  
State shared revenues (unrestricted)  
Interest income  
Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

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

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

<i>Primary Government</i>			<i>Component Units</i>
<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	
\$ (43,011,366)	\$ 0	\$ (43,011,366)	
(123,359,932)	0	(123,359,932)	
(7,899,349)	0	(7,899,349)	
(9,655,990)	0	(9,655,990)	
(5,287,381)	0	(5,287,381)	
(23,948,090)	0	(23,948,090)	
(39,849,197)	0	(39,849,197)	
(10,040,063)	0	(10,040,063)	
<u>\$ (263,051,368)</u>	<u>\$ 0</u>	<u>\$ (263,051,368)</u>	
\$ 0	\$ 1,993,475	\$ 1,993,475	
0	7,531,344	7,531,344	
0	(1,291,284)	(1,291,284)	
0	(916,568)	(916,568)	
<u>\$ 0</u>	<u>\$ 7,316,967</u>	<u>\$ 7,316,967</u>	
<u>\$ (263,051,368)</u>	<u>\$ 7,316,967</u>	<u>\$ (255,734,401)</u>	
			\$ 677
			(1,471,781)
			(170,596)
			5,942,672
			34,103
			<u>\$ 4,335,075</u>
\$ 175,507,270	\$ 0	\$ 175,507,270	\$ 0
13,315,612	0	13,315,612	0
7,671,929	0	7,671,929	0
10,096,447	0	10,096,447	0
9,887,226	0	9,887,226	0
496,592	0	496,592	895,457
31,978,887	0	31,978,887	0
832,767	406,248	1,239,015	73,472
12,641,267	886,467	13,527,734	0
1,207,052	(1,207,052)	0	0
<u>\$ 263,635,049</u>	<u>\$ 85,663</u>	<u>\$ 263,720,712</u>	<u>\$ 968,929</u>
\$ 583,681	\$ 7,402,630	\$ 7,986,311	\$ 5,304,004
716,843,029	272,576,667	989,419,696	57,208,945
<u>\$ 717,426,710</u>	<u>\$ 279,979,297</u>	<u>\$ 997,406,007</u>	<u>\$ 62,512,949</u>

BREVARD COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<i>General</i>	<i>Emergency Services</i>
<b>ASSETS</b>		
Cash	\$ 36,523,831	\$ 18,648,876
Receivables (net of allowance for uncollectibles):		
Accounts	3,654,685	7,445,987
Taxes	311,142	18,423
Assessments	67,538	12,172
Accrued interest	22,593	23,222
Due from other funds	1,352,490	236,615
Due from other governmental units	6,566,898	668,909
Inventory of supplies	2,973,611	1,123,762
Advances to other funds	0	0
Prepaid items	919,559	240,733
Total assets	<u>\$ 52,392,347</u>	<u>\$ 28,418,699</u>
<b>LIABILITIES</b>		
Vouchers and contracts payable	\$ 4,661,181	\$ 2,257,874
Accrued wages and benefits payable	11,938,744	0
Due to other funds	1,980,533	19
Due to other governmental units	1,379,143	0
Advances from other funds	966,304	0
Unearned revenue	813,399	47,225
Total liabilities	<u>\$ 21,739,304</u>	<u>\$ 2,305,118</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue-intergovernmental	\$ 165,272	\$ 0
Unavailable revenue-taxes and assessments	376,485	30,595
Unavailable revenue-future reimbursements	876,321	0
Unavailable revenue-charges for services	0	4,886,051
Total deferred inflows of resources	<u>\$ 1,418,078</u>	<u>\$ 4,916,646</u>
<b>Fund balances:</b>		
Non-spendable	\$ 3,188,824	\$ 1,364,495
Restricted	0	19,749,214
Committed	0	0
Assigned	7,344,029	83,226
Unassigned	18,702,112	0
Total fund balances	<u>\$ 29,234,965</u>	<u>\$ 21,196,935</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 52,392,347</u>	<u>\$ 28,418,699</u>

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

<i>Brevard County Transportation Trust</i>	<i>Grants</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 77,509,300	\$ 219,803	\$ 91,833,128	\$ 224,734,938
1,425	44,870	217,170	11,364,137
0	0	137,843	467,408
0	0	9,295	89,005
89,402	84	106,160	241,461
0	0	4,432,978	6,022,083
2,487,681	6,476,317	1,227,096	17,426,901
31,662	0	1,330,280	5,459,315
0	0	241,524	241,524
0	110,194	143,954	1,414,440
<u>\$ 80,119,470</u>	<u>\$ 6,851,268</u>	<u>\$ 99,679,428</u>	<u>\$ 267,461,212</u>
\$ 1,342,311	\$ 1,243,684	\$ 4,650,046	\$ 14,155,096
0	0	650,064	12,588,808
0	5,006,595	470	6,987,617
0	0	35,484	1,414,627
0	0	0	966,304
3,705,826	135,701	305,209	5,007,360
<u>\$ 5,048,137</u>	<u>\$ 6,385,980</u>	<u>\$ 5,641,273</u>	<u>\$ 41,119,812</u>
\$ 313,544	\$ 4,741,465	\$ 463,681	\$ 5,683,962
0	0	146,604	553,684
0	0	73,399	949,720
0	42,628	0	4,928,679
<u>\$ 313,544</u>	<u>\$ 4,784,093</u>	<u>\$ 683,684</u>	<u>\$ 12,116,045</u>
\$ 31,662	\$ 110,194	\$ 1,586,554	\$ 6,281,729
73,415,677	224,372	90,464,529	183,853,792
0	0	1,295,137	1,295,137
1,310,450	0	8,251	8,745,956
0	(4,653,371)	0	14,048,741
<u>\$ 74,757,789</u>	<u>\$ (4,318,805)</u>	<u>\$ 93,354,471</u>	<u>\$ 214,225,355</u>
<u>\$ 80,119,470</u>	<u>\$ 6,851,268</u>	<u>\$ 99,679,428</u>	<u>\$ 267,461,212</u>

BREVARD COUNTY, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

Fund balances - total governmental funds	\$ 214,225,355
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	787,341,966
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	536,956
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	(324,562,422)
Unavailable revenue in the governmental funds is susceptible to full accrual on the entity-wide statements.	12,116,045
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.	27,768,810
Net position of governmental activities	<u>\$ 717,426,710</u>





BREVARD COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

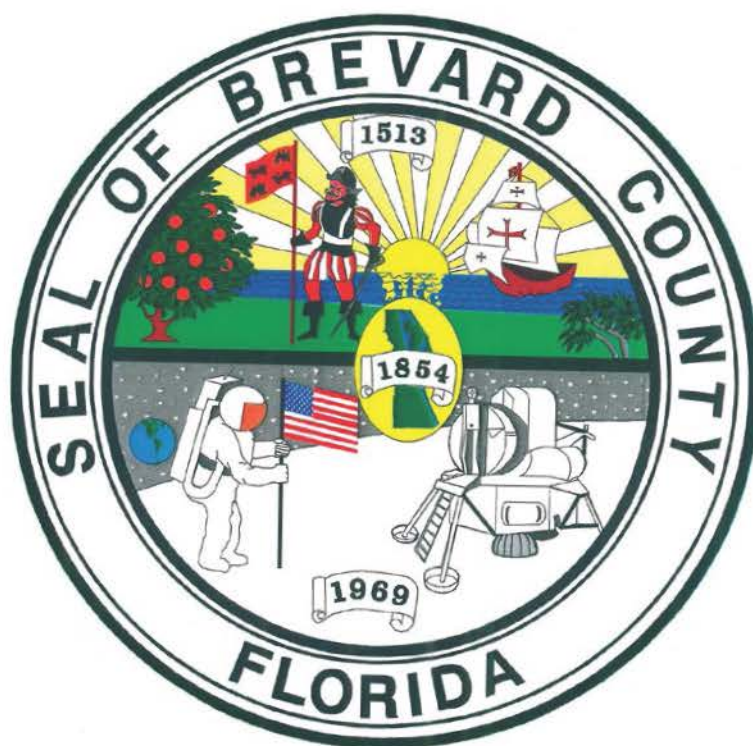
	<i>General</i>	<i>Emergency Services</i>
REVENUES		
Taxes	\$ 129,617,699	\$ 9,543,051
Permits, fees and special assessments	15,306,608	21,228,427
Intergovernmental revenues	40,061,832	2,813,475
Charges for services	27,480,770	15,458,516
Fines and forfeits	1,757,173	328,065
Miscellaneous revenues	7,062,660	557,895
Total revenues	<u>\$ 221,286,742</u>	<u>\$ 49,929,429</u>
EXPENDITURES		
Current:		
General government	\$ 78,974,392	\$ 0
Public safety	88,723,969	58,516,657
Physical environment	3,057,470	0
Transportation	6,542,593	0
Economic environment	1,634,714	0
Human services	14,984,588	0
Culture and recreation	15,243,337	0
Intergovernmental	3,299,206	196,742
Capital outlay	0	0
Debt service:		
Principal	125,788	0
Interest	14,765	0
Total expenditures	<u>\$ 212,600,822</u>	<u>\$ 58,713,399</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 8,685,920</u>	<u>\$ (8,783,970)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 12,705,215	\$ 9,186,964
Transfers out	(28,745,407)	(1,123,605)
Proceeds of the sale of capital assets	149,061	35,002
Insurance proceeds	123,360	0
Refunding debt issued	0	0
Capital related debt issued	176,650	0
Debt refunding payment	0	0
Total other financing sources and uses	<u>\$ (15,591,121)</u>	<u>\$ 8,098,361</u>
Net change in fund balances	<u>\$ (6,905,201)</u>	<u>\$ (685,609)</u>
Fund balances - beginning	\$ 36,449,215	\$ 23,266,573
Cumulative effect in prior years of accounting error	0	(674,751)
Fund balances - beginning, restated	\$ 36,449,215	\$ 22,591,822
Increase (decrease) in non-spendable	(309,049)	(709,278)
Fund balances - ending	<u>\$ 29,234,965</u>	<u>\$ 21,196,935</u>

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

<i>Brevard County Transportation Trust</i>	<i>Grants</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
\$ 10,594,355	\$ 0	\$ 67,281,676	\$ 217,036,781
0	0	10,687,138	47,222,173
9,220,605	19,748,206	875,862	72,719,980
1,773,776	0	7,130,652	51,843,714
0	0	2,167,204	4,252,442
675,828	873,624	4,098,652	13,268,659
<u>\$ 22,264,564</u>	<u>\$ 20,621,830</u>	<u>\$ 92,241,184</u>	<u>\$ 406,343,749</u>
\$ 103,946	\$ 773,263	\$ 7,022,822	\$ 86,874,423
0	1,971,679	21,002,666	170,214,971
0	5,189,112	11,594,673	19,841,255
22,385,380	4,978,058	3,979,950	37,885,981
0	3,791,888	5,708,077	11,134,679
0	3,256,151	4,652,857	22,893,596
0	751,979	21,834,193	37,829,509
18,026	1,175,708	8,748,173	13,437,855
0	0	15,405,926	15,405,926
4,424,696	0	16,046,796	20,597,280
4,805,981	0	5,014,998	9,835,744
<u>\$ 31,738,029</u>	<u>\$ 21,887,838</u>	<u>\$ 121,011,131</u>	<u>\$ 445,951,219</u>
<u>\$ (9,473,465)</u>	<u>\$ (1,266,008)</u>	<u>\$ (28,769,947)</u>	<u>\$ (39,607,470)</u>
\$ 3,109,316	\$ 588,034	\$ 16,451,216	\$ 42,040,745
(565,868)	0	(12,182,619)	(42,617,499)
33,316	0	26,920	244,299
4,318	3,375	17,415	148,468
32,025,000	0	0	32,025,000
0	0	27,150,000	27,326,650
(31,938,004)	0	0	(31,938,004)
<u>\$ 2,668,078</u>	<u>\$ 591,409</u>	<u>\$ 31,462,932</u>	<u>\$ 27,229,659</u>
<u>\$ (6,805,387)</u>	<u>\$ (674,599)</u>	<u>\$ 2,692,985</u>	<u>\$ (12,377,811)</u>
<u>\$ 81,571,200</u>	<u>\$ (3,754,400)</u>	<u>\$ 91,395,344</u>	<u>\$ 228,927,932</u>
0	0	0	(674,751)
<u>\$ 81,571,200</u>	<u>\$ (3,754,400)</u>	<u>\$ 91,395,344</u>	<u>\$ 228,253,181</u>
(8,024)	110,194	(733,858)	(1,650,015)
<u>\$ 74,757,789</u>	<u>\$ (4,318,805)</u>	<u>\$ 93,354,471</u>	<u>\$ 214,225,355</u>

BREVARD COUNTY, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Net change in fund balances - total governmental funds	\$ (12,377,811)
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.	20,632,220
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations).	4,768,859
Some revenues reported in the statement of activities are to be collected on a long-term basis and therefore are not reported as revenues in the funds.	1,205,969
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 position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net position.	(6,729,724)
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.	202,492
Some expenditures reported in governmental funds are to be paid on a long-term basis and therefore are not reported in the statement of activities.	(1,852,463)
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.	<u>(5,265,861)</u>
Change in net position of governmental activities	<u><u>\$ 583,681</u></u>



BREVARD COUNTY, FLORIDA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 127,175,511	\$ 127,175,511	\$ 121,965,131	\$ (5,210,380)
Communications services tax	7,734,073	7,734,073	7,174,021	(560,052)
Other taxes	400,000	400,000	478,547	78,547
Total taxes	<u>\$ 135,309,584</u>	<u>\$ 135,309,584</u>	<u>\$ 129,617,699</u>	<u>\$ (5,691,885)</u>
Permits, fees and special assessments:				
Franchise fees-electricity	\$ 12,762,633	\$ 12,762,633	\$ 13,345,071	\$ 582,438
Special assessments	13,005	13,005	10,133	(2,872)
Other permits and fees	1,589,147	1,639,486	1,951,404	311,918
Total permits, fees, and special assessments	<u>\$ 14,364,785</u>	<u>\$ 14,415,124</u>	<u>\$ 15,306,608</u>	<u>\$ 891,484</u>
Intergovernmental revenues:				
Federal grants	\$ 735,549	\$ 1,281,196	\$ 1,261,135	\$ (20,061)
Federal payments in lieu of taxes	65,000	65,000	288,788	223,788
State grants	4,520,351	4,520,351	5,741,297	1,220,946
State shared revenues	32,865,899	32,865,899	32,157,625	(708,274)
Grants from other local units	168,679	999,043	551,808	(447,235)
Payments from other local units in lieu of taxes	0	0	61,179	61,179
Total intergovernmental revenues	<u>\$ 38,355,478</u>	<u>\$ 39,731,489</u>	<u>\$ 40,061,832</u>	<u>\$ 330,343</u>
Charges for services:				
General government	\$ 13,432,607	\$ 13,521,412	\$ 12,434,251	\$ (1,087,161)
Public safety	1,398,330	1,498,101	1,326,935	(171,166)
Physical environment	426,983	426,983	355,227	(71,756)
Transportation	762,586	762,586	728,195	(34,391)
Human services	172,000	202,695	88,883	(113,812)
Culture and recreation	3,891,754	3,967,543	3,858,121	(109,422)
Court-related revenues	8,194,220	8,194,220	6,686,724	(1,507,496)
Other charges for services	2,162,372	2,197,352	2,002,434	(194,918)
Total charges for services	<u>\$ 30,440,852</u>	<u>\$ 30,770,892</u>	<u>\$ 27,480,770</u>	<u>\$ (3,290,122)</u>
Fines and forfeits	<u>\$ 1,905,181</u>	<u>\$ 1,905,181</u>	<u>\$ 1,757,173</u>	<u>\$ (148,008)</u>
Miscellaneous revenues:				
Interest earnings	\$ 311,946	\$ 309,446	\$ 217,889	\$ (91,557)
Rents and royalties	1,697,438	1,697,438	1,730,412	32,974
Sales of surplus materials	2,500	2,500	6,711	4,211
Contributions and donations	274,537	972,072	971,711	(361)
Licenses	1,045,000	1,045,000	954,358	(90,642)
Other miscellaneous revenues	3,585,431	4,677,740	3,181,579	(1,496,161)
Total miscellaneous revenues	<u>\$ 6,916,852</u>	<u>\$ 8,704,196</u>	<u>\$ 7,062,660</u>	<u>\$ (1,641,536)</u>
Total revenues	<u>\$ 227,292,732</u>	<u>\$ 230,836,466</u>	<u>\$ 221,286,742</u>	<u>\$ (9,549,724)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative	\$ 1,437,366	\$ 1,451,398	\$ 1,364,175	\$ 87,223
Executive	1,060,907	1,079,308	1,058,143	21,165
Financial and administrative	30,249,923	30,892,716	30,625,366	267,350
Legal counsel	1,379,202	1,401,749	1,398,745	3,004
Comprehensive planning	2,339,095	2,441,569	2,249,809	191,760
Court related	22,917,513	22,659,376	22,364,307	295,069
Other general government	15,068,716	21,237,680	19,913,847	1,323,833
Total general government	<u>\$ 74,452,722</u>	<u>\$ 81,163,796</u>	<u>\$ 78,974,392</u>	<u>\$ 2,189,404</u>

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

	<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	\$ 39,606,465	\$ 44,879,087	\$ 44,193,817	\$ 685,270
Detention and/or correction	41,018,845	41,046,396	40,350,805	695,591
Protective inspections	1,452,387	1,466,491	1,347,207	119,284
Emergency and disaster relief services	2,748,261	2,917,984	1,395,115	1,522,869
Medical examiner	1,483,903	1,483,903	1,437,025	46,878
Total public safety	\$ 86,309,861	\$ 91,793,861	\$ 88,723,969	\$ 3,069,892
Physical environment:				
Conservation and resource management	\$ 2,759,570	\$ 4,042,135	\$ 3,057,470	\$ 984,665
Transportation:				
Road and street facilities	\$ 6,509,700	\$ 6,509,700	\$ 5,902,156	\$ 607,544
Airports	647,810	908,524	640,437	268,087
Total transportation	\$ 7,157,510	\$ 7,418,224	\$ 6,542,593	\$ 875,631
Economic environment:				
Industry development	\$ 1,400,050	\$ 1,400,050	\$ 1,400,050	\$ 0
Veterans' services	240,526	242,026	234,664	7,362
Total economic environment	\$ 1,640,576	\$ 1,642,076	\$ 1,634,714	\$ 7,362
Human services:				
Health	\$ 10,517,682	\$ 10,639,178	\$ 10,446,860	\$ 192,318
Mental health	2,393,716	2,397,671	2,312,971	84,700
Welfare	2,026,221	2,530,530	2,153,878	376,652
Developmental disabilities	71,352	71,372	70,879	493
Total human services	\$ 15,008,971	\$ 15,638,751	\$ 14,984,588	\$ 654,163
Culture and recreation:				
Parks and recreation	\$ 17,292,466	\$ 18,370,892	\$ 15,071,474	\$ 3,299,418
Cultural services	203,602	203,602	171,863	31,739
Total culture and recreation	\$ 17,496,068	\$ 18,574,494	\$ 15,243,337	\$ 3,331,157
Intergovernmental	\$ 3,170,816	\$ 3,299,206	\$ 3,299,206	\$ 0
Debt service:				
Principal	\$ 35,000	\$ 80,000	\$ 125,788	\$ (45,788)
Interest	23,300	22,300	14,765	7,535
Total debt service	\$ 58,300	\$ 102,300	\$ 140,553	\$ (38,253)
Total expenditures	\$ 208,054,394	\$ 223,674,843	\$ 212,600,822	\$ 11,074,021
Excess of revenues over expenditures	\$ 19,238,338	\$ 7,161,623	\$ 8,685,920	\$ 1,524,297
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 8,380,888	\$ 13,952,975	\$ 12,705,215	\$ (1,247,760)
Transfers out	(28,883,575)	(28,271,847)	(28,745,407)	(473,560)
Proceeds of the sale of capital assets	89,000	89,000	149,061	60,061
Insurance proceeds	36,945	67,212	123,360	56,148
Capital related debt issued	0	0	176,650	176,650
Total other financing sources and uses	\$ (20,376,742)	\$ (14,162,660)	\$ (15,591,121)	\$ (1,428,461)
Net change in fund balances	\$ (1,138,404)	\$ (7,001,037)	\$ (6,905,201)	\$ 95,836
Fund balances - beginning	36,449,215	36,449,215	36,449,215	0
Decrease in non-spendable	0	0	(309,049)	(309,049)
Fund balances - ending	\$ 35,310,811	\$ 29,448,178	\$ 29,234,965	\$ (213,213)

BREVARD COUNTY, FLORIDA  
EMERGENCY SERVICES

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Taxes	\$ 9,914,461	\$ 9,914,461	\$ 9,543,051	\$ (371,410)
Permits, fees and special assessments	21,919,384	21,919,384	21,228,427	(690,957)
Intergovernmental revenues	3,049,537	3,049,537	2,813,475	(236,062)
Charges for services	15,646,751	15,646,751	15,458,516	(188,235)
Fines and forfeits	328,421	328,421	328,065	(356)
Miscellaneous revenues	200,576	396,996	557,895	160,899
Total revenues	<u>\$ 51,059,130</u>	<u>\$ 51,255,550</u>	<u>\$ 49,929,429</u>	<u>\$ (1,326,121)</u>
EXPENDITURES				
Current:				
Public safety	\$ 69,091,058	\$ 71,253,502	\$ 58,516,657	\$ 12,736,845
Intergovernmental	242,777	282,849	196,742	86,107
Total expenditures	<u>\$ 69,333,835</u>	<u>\$ 71,536,351</u>	<u>\$ 58,713,399</u>	<u>\$ 12,822,952</u>
Deficiency of revenues under expenditures	<u>\$ (18,274,705)</u>	<u>\$ (20,280,801)</u>	<u>\$ (8,783,970)</u>	<u>\$ 11,496,831</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 9,306,517	\$ 9,625,999	\$ 9,186,964	\$ (439,035)
Transfers out	(1,094,898)	(1,132,224)	(1,123,605)	8,619
Proceeds of the sale of capital assets	0	0	35,002	35,002
Total other financing sources and uses	<u>\$ 8,211,619</u>	<u>\$ 8,493,775</u>	<u>\$ 8,098,361</u>	<u>\$ (395,414)</u>
Net change in fund balances	<u>\$ (10,063,086)</u>	<u>\$ (11,787,026)</u>	<u>\$ (685,609)</u>	<u>\$ 11,101,417</u>
Fund balances - beginning	\$ 23,266,573	\$ 23,266,573	\$ 23,266,573	\$ 0
Cumulative effect in prior years of accounting error	0	0	(674,751)	(674,751)
Fund balances - beginning, restated	\$ 23,266,573	\$ 23,266,573	\$ 22,591,822	\$ (674,751)
Decrease in non-spendable	0	0	(709,278)	(709,278)
Fund balances - ending	<u>\$ 13,203,487</u>	<u>\$ 11,479,547</u>	<u>\$ 21,196,935</u>	<u>\$ 9,717,388</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, 2014

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
<b>REVENUES</b>				
Taxes	\$ 10,459,659	\$ 10,459,659	\$ 10,594,355	\$ 134,696
Intergovernmental revenues	8,696,469	8,870,995	9,220,605	349,610
Charges for services	2,117,137	6,415,787	1,773,776	(4,642,011)
Miscellaneous revenues	393,486	335,677	675,828	340,151
Total revenues	<u>\$ 21,666,751</u>	<u>\$ 26,082,118</u>	<u>\$ 22,264,564</u>	<u>\$ (3,817,554)</u>
<b>EXPENDITURES</b>				
Current:				
General government	\$ 57,392	\$ 220,886	\$ 103,946	\$ 116,940
Transportation	39,347,002	50,393,582	22,385,380	28,008,202
Intergovernmental	0	18,026	18,026	0
Debt service:				
Principal	4,375,514	4,440,515	4,424,696	15,819
Interest	4,828,213	4,850,208	4,805,981	44,227
Total expenditures	<u>\$ 48,608,121</u>	<u>\$ 59,923,217</u>	<u>\$ 31,738,029</u>	<u>\$ 28,185,188</u>
Deficiency of revenues under expenditures	<u>\$ (26,941,370)</u>	<u>\$ (33,841,099)</u>	<u>\$ (9,473,465)</u>	<u>\$ 24,367,634</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Transfers in	\$ 3,314,083	\$ 3,111,784	\$ 3,109,316	\$ (2,468)
Transfers out	(629,347)	(645,668)	(565,868)	79,800
Proceeds of the sale of capital assets	0	0	33,316	33,316
Insurance proceeds	0	0	4,318	4,318
Refunding bonds issued	0	32,025,000	32,025,000	0
Debt refunding payment	0	(31,938,004)	(31,938,004)	0
Total other financing sources and uses	<u>\$ 2,684,736</u>	<u>\$ 2,553,112</u>	<u>\$ 2,668,078</u>	<u>\$ 114,966</u>
Net change in fund balances	<u>\$ (24,256,634)</u>	<u>\$ (31,287,987)</u>	<u>\$ (6,805,387)</u>	<u>\$ 24,482,600</u>
Fund balances - beginning	81,571,200	81,571,200	81,571,200	0
Decrease in non-spendable	0	0	(8,024)	(8,024)
Fund balances - ending	<u>\$ 57,314,566</u>	<u>\$ 50,283,213</u>	<u>\$ 74,757,789</u>	<u>\$ 24,474,576</u>

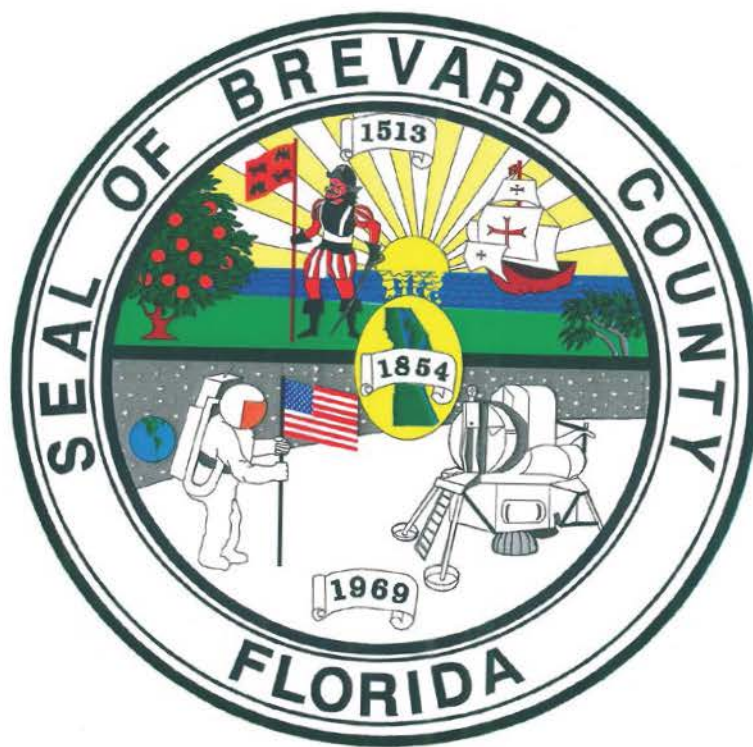
The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY, FLORIDA  
GRANTS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 34,087,120	\$ 68,109,449	\$ 19,748,206	\$ (48,361,243)
Charges for services	243,489	243,489	0	(243,489)
Miscellaneous revenues	2,000	323,421	873,624	550,203
Total revenues	<u>\$ 34,332,609</u>	<u>\$ 68,676,359</u>	<u>\$ 20,621,830</u>	<u>\$ (48,054,529)</u>
EXPENDITURES				
Current:				
General government	\$ 929,926	\$ 1,202,811	\$ 773,263	\$ 429,548
Public safety	2,240,546	2,491,846	1,971,679	520,167
Physical environment	4,950,377	12,520,730	5,189,112	7,331,618
Transportation	14,745,310	25,747,802	4,978,058	20,769,744
Economic environment	3,825,811	6,872,488	3,791,888	3,080,600
Human services	3,226,819	4,065,476	3,256,151	809,325
Culture and recreation	939,876	1,104,452	751,979	352,473
Intergovernmental	2,238,728	2,901,287	1,175,708	1,725,579
Total expenditures	<u>\$ 33,097,393</u>	<u>\$ 56,906,892</u>	<u>\$ 21,887,838</u>	<u>\$ 35,019,054</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,235,216</u>	<u>\$ 11,769,467</u>	<u>\$ (1,266,008)</u>	<u>\$ (13,035,475)</u>
OTHER FINANCING SOURCES				
Transfers in	\$ 476,921	\$ 598,324	\$ 588,034	\$ (10,290)
Insurance proceeds	0	0	3,375	3,375
Total other financing sources	<u>\$ 476,921</u>	<u>\$ 598,324</u>	<u>\$ 591,409</u>	<u>\$ (6,915)</u>
Net change in fund balances	<u>\$ 1,712,137</u>	<u>\$ 12,367,791</u>	<u>\$ (674,599)</u>	<u>\$ (13,042,390)</u>
Fund balances - beginning	(3,754,400)	(3,754,400)	(3,754,400)	0
Increase in non-spendable	0	0	110,194	110,194
Fund balances - ending	<u>\$ (2,042,263)</u>	<u>\$ 8,613,391</u>	<u>\$ (4,318,805)</u>	<u>\$ (12,932,196)</u>

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



BREVARD COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2014

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 39,529,314	\$ 19,287,072
Cash with escrow and paying agent	0	0
Accounts receivable (net of allowance for uncollectibles)	536,255	126,308
Accrued interest receivable	84,909	23,376
Due from other funds	34,885	131,894
Due from component units	0	0
Due from other governmental units	0	4,223,576
Prepaid items	1,060,793	15,104
Inventories	242,303	706,863
Restricted assets:		
Cash and cash equivalents	31,359,126	407,639
Total current assets	<u>\$ 72,847,585</u>	<u>\$ 24,921,832</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 27,153,310	\$ 3,038,545
Buildings and structures	26,595,169	20,673,679
Infrastructure	11,560,971	8,589,580
Improvements to land	2,804,036	0
Improvements other than buildings	18,403,695	239,842,083
Machinery and equipment	20,801,880	10,990,667
Goodwill	0	0
Construction in progress	11,423,472	6,253,280
Less accumulated depreciation	(38,869,071)	(170,133,776)
Advances to other funds	241,590	1,083,190
Unamortized bond insurance	0	0
Total noncurrent assets	<u>\$ 80,115,052</u>	<u>\$ 120,337,248</u>
Total assets	<u>\$ 152,962,637</u>	<u>\$ 145,259,080</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge on refunding	<u>\$ 0</u>	<u>\$ 0</u>

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water &amp; Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 1,433,867	\$ 9,800,483	\$ 70,050,736	\$ 43,118,405
0	0	0	1,225,085
173,083	108,516	944,162	274,927
1,645	13,313	123,243	51,696
0	0	166,779	1,326,885
0	0	0	209,958
19,228	1,481,173	5,723,977	9,914
0	17,917	1,093,814	1,436,091
74,983	73,028	1,097,177	0
1,029,292	0	32,796,057	0
<u>\$ 2,732,098</u>	<u>\$ 11,494,430</u>	<u>\$ 111,995,945</u>	<u>\$ 47,652,961</u>
\$ 5,102,165	\$ 2,171,899	\$ 37,465,919	\$ 0
1,339,186	4,804,617	53,412,651	0
0	0	20,150,551	0
0	8,684,880	11,488,916	0
14,546,755	326,993	273,119,526	0
418,892	23,172,549	55,383,988	7,373,801
940,130	0	940,130	0
369,961	427,824	18,474,537	0
(10,767,427)	(23,567,615)	(243,337,889)	(5,571,158)
0	0	1,324,780	0
69,140	0	69,140	0
<u>\$ 12,018,802</u>	<u>\$ 16,021,147</u>	<u>\$ 228,492,249</u>	<u>\$ 1,802,643</u>
<u>\$ 14,750,900</u>	<u>\$ 27,515,577</u>	<u>\$ 340,488,194</u>	<u>\$ 49,455,604</u>
\$ 0	\$ 15,198	\$ 15,198	\$ 0

BREVARD COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2014

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
<b>LIABILITIES</b>		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 1,577,605	\$ 1,672,750
Claims payable	0	0
Due to other funds	0	0
Due to other governmental units	0	0
Accrued interest payable	0	1,745
Customer deposits	344,592	407,639
Unearned revenue	0	0
Accrued compensated absences	40,579	111,821
Revenue bonds	0	0
Leases payable	0	0
Total current liabilities	<u>\$ 1,962,776</u>	<u>\$ 2,193,955</u>
Noncurrent liabilities:		
Revenue bonds payable (net of unamortized discounts)	\$ 0	\$ 0
Notes payable	0	0
Leases payable	0	0
Advances from other funds	0	0
Claims payable	0	0
Landfill closure and postclosure care	33,661,491	0
Accrued compensated absences	642,539	525,682
Other postemployment benefits	941,208	941,926
Total noncurrent liabilities	<u>\$ 35,245,238</u>	<u>\$ 1,467,608</u>
Total liabilities	<u>\$ 37,208,014</u>	<u>\$ 3,661,563</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 79,873,462	\$ 119,254,058
Restricted for:		
Renewal and replacement	0	0
Unrestricted	35,881,161	22,343,459
Total net position	<u>\$ 115,754,623</u>	<u>\$ 141,597,517</u>
Adjustment to reflect the consolidation of Internal Service fund activities related to Enterprise funds		
Net position 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 &amp; Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 98,644	\$ 1,706,158	\$ 5,055,157	\$ 1,121,096
0	0	0	9,209,403
62,122	468,000	530,122	0
0	78,354	78,354	0
324,686	27,526	353,957	7,660
62,810	0	815,041	0
0	0	0	484,913
5,403	63,604	221,407	62,602
560,000	826,565	1,386,565	0
0	0	0	123,839
<u>\$ 1,113,665</u>	<u>\$ 3,170,207</u>	<u>\$ 8,440,603</u>	<u>\$ 11,009,513</u>
\$ 12,737,271	\$ 2,122,723	\$ 14,859,994	\$ 0
0	828,000	828,000	0
0	0	0	127,611
600,000	0	600,000	0
0	0	0	7,938,843
0	0	33,661,491	0
72,541	363,135	1,603,897	283,721
86,525	602,591	2,572,250	284,966
<u>\$ 13,496,337</u>	<u>\$ 3,916,449</u>	<u>\$ 54,125,632</u>	<u>\$ 8,635,141</u>
<u>\$ 14,610,002</u>	<u>\$ 7,086,656</u>	<u>\$ 62,566,235</u>	<u>\$ 19,644,654</u>
\$ (1,347,609)	\$ 12,259,057	\$ 210,038,968	\$ 1,551,193
163,251	0	163,251	0
1,325,256	8,185,062	67,734,938	28,259,757
<u>\$ 140,898</u>	<u>\$ 20,444,119</u>	<u>\$ 277,937,157</u>	<u>\$ 29,810,950</u>
		<u>2,042,140</u>	
		<u>\$ 279,979,297</u>	

BREVARD COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Operating revenues:		
Service fees	\$ 24,772,183	\$ 28,087,661
Less cost of goods sold	0	0
Total operating revenues	<u>\$ 24,772,183</u>	<u>\$ 28,087,661</u>
Operating expenses:		
Wages and benefits	\$ 7,693,396	\$ 8,099,370
Repair, maintenance, and other services	5,476,259	9,018,639
Materials and supplies	3,604,826	1,511,248
Landfill closure and postclosure care	823,977	0
Depreciation	4,701,554	4,632,135
Insurance claims expense	0	0
Total operating expenses	<u>\$ 22,300,012</u>	<u>\$ 23,261,392</u>
Operating income (loss)	<u>\$ 2,472,171</u>	<u>\$ 4,826,269</u>
Nonoperating revenues (expenses):		
Income on investments	\$ 275,871	\$ 60,602
Interest expense	0	0
Miscellaneous revenue	354,555	58,069
Grants and matching funds	0	0
Uncollectible grant revenue	0	0
Gain (loss) on disposal of capital assets	(174,020)	(332,497)
Bond insurance amortization	0	0
Total nonoperating revenues (expenses)	<u>\$ 456,406</u>	<u>\$ (213,826)</u>
Income (loss) before contributions and transfers	<u>\$ 2,928,577</u>	<u>\$ 4,612,443</u>
Capital contributions	365,904	3,332,442
Transfers in	0	57,270
Transfers out	(1,510,846)	(1,647,855)
Change in net position	\$ 1,783,635	\$ 6,354,300
Net position - beginning	113,970,988	135,243,217
Net position - ending	<u>\$ 115,754,623</u>	<u>\$ 141,597,517</u>

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

Change in net position 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 &amp; Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 3,440,067	\$ 15,781,495	\$ 72,081,406	\$ 60,168,859
0	(104,717)	(104,717)	0
<u>\$ 3,440,067</u>	<u>\$ 15,676,778</u>	<u>\$ 71,976,689</u>	<u>\$ 60,168,859</u>
\$ 930,235	\$ 5,592,087	\$ 22,315,088	\$ 3,866,613
745,145	17,626,222	32,866,265	9,912,748
146,154	2,292,412	7,554,640	97,909
0	0	823,977	0
927,065	3,161,440	13,422,194	526,211
0	0	0	55,456,389
<u>\$ 2,748,599</u>	<u>\$ 28,672,161</u>	<u>\$ 76,982,164</u>	<u>\$ 69,859,870</u>
<u>\$ 691,468</u>	<u>\$ (12,995,383)</u>	<u>\$ (5,005,475)</u>	<u>\$ (9,691,011)</u>
\$ 3,523	\$ 66,252	\$ 406,248	\$ 124,858
(673,937)	(103,892)	(777,829)	(18,982)
30,805	443,038	886,467	1,638,383
0	7,921,582	7,921,582	0
0	(207,416)	(207,416)	0
0	22,786	(483,731)	(3,718)
(8,099)	0	(8,099)	0
<u>\$ (647,708)</u>	<u>\$ 8,142,350</u>	<u>\$ 7,737,222</u>	<u>\$ 1,740,541</u>
\$ 43,760	\$ (4,853,033)	\$ 2,731,747	\$ (7,950,470)
77,041	3,000,581	6,775,968	2,770
0	2,264,208	2,321,478	1,783,806
(110,473)	(259,356)	(3,528,530)	0
<u>\$ 10,328</u>	<u>\$ 152,400</u>	<u>\$ 8,300,663</u>	<u>\$ (6,163,894)</u>
<u>130,570</u>	<u>20,291,719</u>		<u>35,974,844</u>
<u>\$ 140,898</u>	<u>\$ 20,444,119</u>		<u>\$ 29,810,950</u>
		(898,033)	
		<u>\$ 7,402,630</u>	

BREVARD COUNTY, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<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	\$ 24,657,912	\$ 27,836,077
Cash receipts from other sources	339,946	69,844
Cash payments to employees for services	(7,787,365)	(8,191,008)
Cash payments to suppliers for goods and services	(8,875,173)	(10,296,014)
Cash payments for insurance claims	0	0
Net cash from operating activities	<u>\$ 8,335,320</u>	<u>\$ 9,418,899</u>
Cash flows from noncapital financing activities:		
Grant receipts	\$ 0	\$ 0
Transfers in	0	57,270
Transfers out	(1,510,846)	(1,647,855)
Interfund loans	34,838	129,028
Loans to component units	0	0
Net cash flows from noncapital financing activities	<u>\$ (1,476,008)</u>	<u>\$ (1,461,557)</u>
Cash flows from capital and related financing activities:		
Bond good faith deposit	\$ 0	\$ 252,350
Principal payments	0	0
Interest payments	0	0
Capital grant receipts	0	0
Payments to acquire, construct, or improve capital assets	(3,953,228)	(4,393,516)
Proceeds from disposal of capital assets	284,461	147,642
Impact/connection fees for capital purposes	365,744	1,848,457
Net cash flows from capital and related financing activities	<u>\$ (3,303,023)</u>	<u>\$ (2,145,067)</u>
Cash flows from investing activities:		
Interest on investments	<u>\$ 288,591</u>	<u>\$ 56,616</u>
Net increase (decrease) in cash and cash equivalents	\$ 3,844,880	\$ 5,868,891
Cash and cash equivalents, October 1, 2013	67,043,560	13,825,820
Cash and cash equivalents, September 30, 2014	<u><u>\$ 70,888,440</u></u>	<u><u>\$ 19,694,711</u></u>

<i>Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water &amp; Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 3,434,818	\$ 15,737,540	\$ 71,666,347	\$ 60,662,175
40,929	416,896	867,615	1,505,253
(943,501)	(5,682,654)	(22,604,528)	(3,911,947)
(920,576)	(19,406,897)	(39,498,660)	(9,989,808)
0	0	0	(54,619,038)
<u>\$ 1,611,670</u>	<u>\$ (8,935,115)</u>	<u>\$ 10,430,774</u>	<u>\$ (6,353,365)</u>
\$ 0	\$ 7,647,392	\$ 7,647,392	\$ 0
0	2,264,208	2,321,478	1,783,806
(110,473)	(259,356)	(3,528,530)	0
(60,000)	417,000	520,866	0
0	0	0	(166,046)
<u>\$ (170,473)</u>	<u>\$ 10,069,244</u>	<u>\$ 6,961,206</u>	<u>\$ 1,617,760</u>
\$ 0	\$ 0	\$ 252,350	\$ 0
(532,000)	(917,204)	(1,449,204)	0
(682,341)	(92,741)	(775,082)	0
57,739	2,998,787	3,056,526	0
(426,833)	(3,732,982)	(12,506,559)	(473,758)
0	24,150	456,253	387
0	0	2,214,201	0
<u>\$ (1,583,435)</u>	<u>\$ (1,719,990)</u>	<u>\$ (8,751,515)</u>	<u>\$ (473,371)</u>
\$ 4,510	\$ 68,505	\$ 418,222	\$ 145,091
\$ (137,728)	\$ (517,356)	\$ 9,058,687	\$ (5,063,885)
2,600,887	10,317,839	93,788,106	49,407,375
<u>\$ 2,463,159</u>	<u>\$ 9,800,483</u>	<u>\$ 102,846,793</u>	<u>\$ 44,343,490</u>

BREVARD COUNTY, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<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)	\$ 2,472,171	\$ 4,826,269
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation expense	\$ 4,701,554	\$ 4,632,135
Landfill closure and postclosure care	823,977	0
Miscellaneous revenue	354,555	58,069
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(69,532)	41,482
(Increase) decrease in due from other funds	28,447	0
(Increase) decrease in due from other governmental units	0	(280,700)
(Increase) decrease in inventories	(6,889)	78,517
(Increase) decrease in allowance for uncollectible accounts	0	0
(Increase) decrease in prepaid items	(60,413)	(15,104)
Increase (decrease) in customer deposits	15,875	20,761
Increase (decrease) in accrued compensated absences	39,660	36,098
Increase (decrease) in other postemployment benefits	(68,302)	(66,320)
Increase (decrease) vouchers and contracts payable	142,394	116,139
Increase (decrease) in claims payable	0	0
Increase (decrease) in unearned revenue	0	0
Increase (decrease) in due to other funds	0	(28,447)
Increase (decrease) in due to other governmental units	(38,177)	0
Total adjustment	\$ 5,863,149	\$ 4,592,630
Net cash from operating activities	\$ 8,335,320	\$ 9,418,899
Noncash investing, capital and financing activities:		
Capital contributed by developers, individuals, and governmental entities	\$ 0	\$ 1,484,516
Fair value of traded in capital assets added to the value of new assets	\$ 40,000	\$ 0

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 &amp; Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
<u>\$ 691,468</u>	<u>\$ (12,995,383)</u>	<u>\$ (5,005,475)</u>	<u>\$ (9,691,011)</u>
\$ 927,065	\$ 3,161,440	\$ 13,422,194	\$ 526,211
0	0	823,977	0
30,805	443,038	886,467	1,638,383
(5,073)	(66,824)	(99,947)	(96,360)
0	0	28,447	(212,536)
0	(22,540)	(303,240)	0
11,296	(2,344)	80,580	0
0	2,206	2,206	0
0	(17,917)	(93,434)	176,491
10,060	0	46,696	0
438	(22,680)	53,516	19,920
(7,195)	(54,954)	(196,771)	(28,364)
(47,194)	640,961	852,300	396,559
0	0	0	432,429
0	0	0	484,913
0	0	(28,447)	0
0	(118)	(38,295)	0
<u>\$ 920,202</u>	<u>\$ 4,060,268</u>	<u>\$ 15,436,249</u>	<u>\$ 3,337,646</u>
<u>\$ 1,611,670</u>	<u>\$ (8,935,115)</u>	<u>\$ 10,430,774</u>	<u>\$ (6,353,365)</u>
<u>\$ 0</u>	<u>\$ 1,794</u>	<u>\$ 1,486,310</u>	<u>\$ 2,770</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 40,000</u>	<u>\$ 0</u>

BREVARD COUNTY, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2014

	<i>Agency Funds</i>
ASSETS	
Cash	\$ 26,419,894
Accounts receivable	521,140
Accrued interest receivable	659
Due from other funds	1,992
Due from other governmental units	3,305
Total assets	<u>\$ 26,946,990</u>
LIABILITIES	
Due to employees, individuals, and others	\$ 8,353,131
Due to other governmental units	3,172,653
Escrow and refundable deposits	15,421,206
Total liabilities	<u>\$ 26,946,990</u>

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

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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 Constitutional 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

In accordance with accounting principles generally accepted in the United States of America (U.S. 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 following component units: the Brevard County Free Public Library District (created by Chapter 72-480, Laws of Florida), the Brevard County Mosquito Control District (created by Chapter 18437, Laws of Florida), the County Special Recreation District IV (created by Chapters 61-1909 and 71-544, Laws of Florida), the North Brevard Recreation Special District (created by County Ordinance 2000-53), and the South Brevard Recreation Special District (created by County Ordinance 2000-53). These component units are reported as governmental funds. The Board serves as the governing body of the Barefoot Bay Water & Sewer District (created by County Ordinance 99-17), 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 Economic Opportunity 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.

North Brevard Economic Development Zone - The Economic Development Zone was created by the Board of County Commissioners pursuant to Chapters 125, 189 and 200 Florida Statutes. The purpose for the district is to work with the County Commission, the City of Titusville and the Brevard Economic Development District of Florida's Space Coast to prepare and implement the economic development plan for areas located north of State Road 528 in Brevard County District 1. The City of Titusville appoints 3 members of the Economic Development Zone's board. The Board of County Commissioners (Board) appoints 6 members and is able to impose its will through its ability to remove members without cause. The Board provides financial support by establishing, through an ordinance, the incremental tax for the Zone. The Economic Development Zone 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. The Airport Authority is presented as a proprietary fund.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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 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.

The A. Max Brewer Memorial Law Library, Brevard County Expressway Authority, and Brevard County Health Facilities Authority, are considered blended component units and reported no revenues or expenditures for the period ended September 30, 2014.

Related Organizations

The Board of County Commissioners (Board) is responsible for all of the board appointments for the 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.

The Melbourne Tillman Water Control District is classified as a dependent special district by the Florida Department of Economic Opportunity. The District was previously reported as a component unit of the Board. As of October 1, 2012, the District is no longer considered a component unit under GASB No. 61.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements consist of a Statement of Net Position 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. All fiduciary activities are reported only in the fund financial statements. 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 position, the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources, as presented in the Statement of Net Position are subdivided into three categories: net investment in capital assets, restricted net position, and unrestricted net position. Net position is 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 position for the fiscal year. Direct expenses are those that are clearly identifiable to a specific function or segment. 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.



BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are 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 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, except for capital contributions, which are presented separately.

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, grants, 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, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments 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.

Governmental funds report fund balances either as non-spendable or spendable. Spendable balances are further classified as restricted, committed, assigned or unassigned, based on the extent to which there are external or internal constraints on the spending of these fund balances.

**Non-spendable Fund Balance** – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally items such as long-term amounts of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

**Spendable Fund Balance:**

- **Restricted Fund Balance** - Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

- **Committed Fund Balance** - Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution), which are equally binding of the Board of County Commissioners, the County's highest level of decision making authority. Commitments may be changed or lifted only by the Board of County Commissioners taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- **Assigned Fund Balance** - Included spendable fund balance amounts established by the Board of County Commissioners that are intended to be used for specific purposes and are neither considered restricted or committed.
- **Unassigned Fund Balance** - Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County spends restricted amounts first, when both restricted and unrestricted fund balance is available, unless prohibited by legal documents, grant agreements or contracts. Additionally, the County uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes of which amounts in any of the unrestricted fund balance classifications could be used.

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** - The Emergency Services Special Revenue Fund is used to account for an ad valorem tax, impact fees, ambulance charges, and a county-wide non-ad valorem assessment for the provision of fire protection, ambulance, and emergency management services in the unincorporated areas of Brevard County and participating municipalities.

**Transportation Trust** - 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.

**Grants** - The Grants Special Revenue Fund is used to account for certain Federal and State grants.

The following are reported as major enterprise funds:

**Solid Waste Management Department** - 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.

**Water Resources** - 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** - 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 99-17.

The County also reports the following fund types:

**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.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

**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 by the Florida Clerks of Court Operations Corporation by October 1 each year. 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 amend the budget during the fiscal year. These amendments must be adopted in accordance with the same laws that governed the adoption of the original budget.

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 functional level within each fund as adopted through the Board's Budget and Financial Policy. The Board, pursuant to Section 129.06, Florida Statutes, may amend the original budget during the fiscal year or within sixty (60) days after the end of the fiscal year. The Board has delegated authority to the County Manager to authorize interdepartmental and line item transfers up to \$100,000.

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.

Budget amendments totaling \$123,893,332 were enacted during the fiscal year primarily due to the issuance of capital bonds for construction and capital equipment, refinancing of bonds, authorizing the appropriation of proceeds from grant revenues, and unbudgeted cash balances.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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). 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 the 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, infrastructure and goodwill 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 the established thresholds 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
Buildings and structures	\$ 35,000
Infrastructure	35,000
Improvements to land	5,000
Improvements other than buildings	5,000
Intangible assets, including easements and goodwill	5,000
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 are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and structures	20-40
Infrastructure	10-75
Improvements to land	15-35
Improvements other than buildings	10-25
Machinery & equipment	3-10

Under generally accepted accounting policies, the carrying amount of goodwill is not amortized but is reduced if management determines its fair value has been impaired.

G. Unbilled Service Revenues

Approximately 92% 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 assets in enterprise funds 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.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

I. Inventory and Prepaid Items

Inventory is valued at cost. Cost is determined for all departments' fleet inventory using the moving average method. All other inventories are valued 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 presented as non-spendable fund balance.

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 Position. In the governmental funds' Statement of Revenues, Expenditures and Changes in Fund Balances, prepaid items are included in expenditures for the current period, when purchased, with the exception of prepaid items purchased by the Clerk of the Circuit Court and Property Appraiser which are recorded as expenditures when consumed.

J. Cash and Cash Equivalents

Cash and cash equivalents are cash on hand as well as demand deposits, investments and certificates of deposit included in pooled cash and non-pooled investments with original maturities of three months or less.

K. Investments

Investments include non-pooled investments and certificates of deposit with original maturities of three months or greater. Investments are valued at fair value in accordance with GASB No. 31. Investments, and income from investments owned by individual funds, are recorded in the respective funds. 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 cash balances for the respective funds.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Only one item qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide Statement of Net Position and proprietary funds' Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the balance sheet includes a separate section for deferred inflows of resources. This represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Only one type of item, which arises only under a modified accrual basis of accounting, qualifies for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from four sources: intergovernmental, taxes and assessments, future reimbursements and charges for services. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

M. 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.

N. 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.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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 unincorporated districts.

O. Unamortized Bond Insurance

Unamortized debt expense related to bond insurance is amortized by using the outstanding principal method over the life of the related debt and is recorded as unamortized bond insurance. Other bond issuing costs are expensed when incurred. In the fund financial statements, governmental fund types recognize bond issuance costs during the current period as debt service expenditures.

P. Amortization of Discount and Premium on Bonds

Amortization of discount and premium on bonds is determined by using the outstanding principal method over the life of the related debt. The amortization of discount or premium is recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond discount or premium. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Q. Reserves of Net Position

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

R. 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.

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 position.

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. 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 \$(324,562,422) difference are as follows:

Bonds and revenue notes payable	\$ (254,434,712)
Plus: Premiums (to be amortized as interest expense)	(2,132,425)
Deferred charge on refunding (to be amortized as interest expense)	4,388,374
Accrued interest payable	(1,830,496)
Leases payable	(126,862)
Notes payable	(20,583,000)
Accrued compensated absences	(27,673,031)
Intergovernmental payable	(259,924)
Other postemployment benefits	(21,910,346)
Net adjustment to <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (324,562,422)</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.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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 position 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 \$20,632,220 difference are as follows:

Capital outlay	\$ 54,208,758
Depreciation expense	<u>(33,576,538)</u>
Net adjustment to <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 20,632,220</u>

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 position.” The details of this \$4,768,859 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 position differs from the change in fund balance by the cost of the capital assets sold.	\$ (522,304)
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources	<u>5,291,163</u>
Net adjustment to <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 4,768,859</u>

Another element of the 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 position. Also, governmental funds report the effect of 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 \$(6,729,724) difference are as follows:

Issuance of bonds and revenue notes	\$ (47,755,000)
Issuance of notes payable	(11,420,000)
Issuance of capital lease	(176,650)
Principal repayments:	
Bonds and revenue notes	18,893,796
Capital lease	84,484
Notes payable	1,619,000
Intergovernmental payable	86,642
Bond refunding repayment	<u>31,938,004</u>
Net adjustment to <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (6,729,724)</u>

Another element of the 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 \$202,492 difference are as follows:

Accrued compensated absences	\$ (877,805)
Other postemployment benefits	1,284,616
Accrued interest	129,281
Amortization of deferred charge on refunding	(699,249)
Amortization of bond discounts/premium	<u>365,649</u>
Net adjustment to <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 202,492</u>

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

3. Fund Balance Classification – Fund balances are presented in the following categories: non-spendable, restricted, committed, assigned and unassigned (see note 1 for a description of these categories). A detailed schedule of fund balances at September 30, 2014, is as follows:

	General Fund	Emergency Services	Brevard County Transportation Trust	Grants	Other Governmental Funds	Total
Non-spendable:						
Advances	\$ 0	\$ 0	\$ 0	\$ 0	\$ 241,524	\$ 241,524
Inventory	2,973,611	1,123,762	31,662	0	1,330,280	5,459,315
Prepays/deposits	215,213	240,733	0	110,194	14,750	580,890
Total non-spendable fund balance	\$ 3,188,824	\$ 1,364,495	\$ 31,662	\$ 110,194	\$ 1,586,554	\$ 6,281,729
Restricted:						
Impact fees	\$ 0	\$ 1,077,983	\$ 16,653,366	\$ 0	\$ 5,732,403	\$ 23,463,752
Fire rescue operations	0	12,792,766	0	0	0	12,792,766
Emergency communications	0	5,878,465	0	0	0	5,878,465
Road maintenance and improvements	0	0	55,270,984	0	12,724,039	67,995,023
Parks and recreation	0	0	0	0	15,291,666	15,291,666
Bond covenants or debt service	0	0	1,491,327	0	4,829,623	6,320,950
Tourism promotion and development	0	0	0	0	21,320,484	21,320,484
General capital facilities	0	0	0	0	13,624,316	13,624,316
Court records and judicial	0	0	0	0	135,857	135,857
Building code compliance	0	0	0	0	2,175,116	2,175,116
Law enforcement	0	0	0	0	2,364,895	2,364,895
Mosquito control	0	0	0	0	3,221,576	3,221,576
Libraries	0	0	0	0	4,957,702	4,957,702
Fines and court costs	0	0	0	0	3,151,506	3,151,506
Housing and human services	0	0	0	224,372	935,346	1,159,718
Total restricted fund balance	\$ 0	\$ 19,749,214	\$ 73,415,677	\$ 224,372	\$ 90,464,529	\$ 183,853,792
Committed:						
General capital facilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,295,137	\$ 1,295,137
Total committed fund balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,295,137	\$ 1,295,137
Assigned:						
Road maintenance and improvements	\$ 0	\$ 0	\$ 1,310,450	\$ 0	\$ 0	\$ 1,310,450
Ambulance services	0	83,226	0	0	0	83,226
Parks and recreation	3,404,189	0	0	0	0	3,404,189
Emergency management	44,749	0	0	0	0	44,749
Court and judicial	293,367	0	0	0	0	293,367
Emergency communications	1,375,242	0	0	0	0	1,375,242
Permitting and engineering	1,140,455	0	0	0	0	1,140,455
Environment	625,334	0	0	0	0	625,334
Airport	216,684	0	0	0	0	216,684
Housing and human services	244,009	0	0	0	0	244,009
General capital facilities	0	0	0	0	8,251	8,251
Total assigned fund balance	\$ 7,344,029	\$ 83,226	\$ 1,310,450	\$ 0	\$ 8,251	\$ 8,745,956
Unassigned fund balance	\$ 18,702,112	\$ 0	\$ 0	\$ (4,653,371)	\$ 0	\$ 14,048,741
Total fund balances	\$ 29,234,965	\$ 21,196,935	\$ 74,757,789	\$ (4,318,805)	\$ 93,354,471	\$ 214,225,355

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, 2014, 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 .44% to .53%.



BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

Cash with escrow and paying agent of \$1,225,085 is accounted for in the Internal Service Funds as an insurance reserve balance required by the County's insurance providers.

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. This 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's Florida Prime, formerly the LGIP pool, is considered a Securities and Exchange Commission (SEC) "2a7-like" fund, with the fair value of the investment equal to the account balance. A 2a7-like fund is not registered with the SEC as an investment company, but has a policy that it operates in a manner consistent with SEC's Rule 2a7 of The Investment Company Act of 1940, the rules governing money market funds. Thus, the pool operates essentially as a money market fund, but is classified as an external investment pool. The weighted average days to maturity of Florida Prime was 39 days, as of September 30, 2014.

On September 30, 2014 the County had \$5,234,913 invested in Florida Prime.

Custodial Risk

The bank amount of the County's demand deposits was \$106,557,924 at September 30, 2014. The demand deposits are insured by the FDIC up to \$250,000 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 Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corp., and Federal National Mortgage Association represented 3%, 17%, 2%, and 6% 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 "A" by Moody's and "A" by Standard & Poor's. Commercial Paper must have a rating of, at least, "Prime 1" by Moody's and "A-1" by Standard & Poor's. The Corporate Notes currently held in the portfolio have a Standard & Poor's rating of A and the Commercial Paper has an A-1 rating by Standard & Poor's. The credit quality of the federal agency securities held by the County is AA+ rated by Standard & Poor's. The credit quality of the municipal bond held by the County is AA rated by Standard & Poor's. The Local Government Surplus Funds Trust Investment Pool (Florida Prime) was rated AAAm by Standard and Poor's at September 30, 2014.

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 1.36 years.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

As of September 30, 2014, the County had the following investments and maturities:

	Fair Value	Less Than 1 Year	1-2 Years	2-3 Years	Over 3 Years
Corporate Note	\$ 37,125,723	\$ 0	\$ 20,223,526	\$ 16,902,197	\$ 0
Commercial Paper	7,411,353	7,411,353	0	0	0
Municipal bonds	4,808,355	0	4,808,355	0	0
Federal Farm Credit Bank	10,000,300	10,000,300	0	0	0
Federal Home Loan Bank	48,554,286	35,004,450	8,702,720	4,847,116	0
Federal Home Loan Mortgage Corp	5,273,238	0	0	5,273,238	0
Federal National Mortgage Assn.	15,906,422	0	10,765,780	2,439,686	2,700,956
U.S. Treasury Bonds/Notes	109,713,448	0	88,479,479	21,233,969	0
Money Market Accounts	50,610,732	50,610,732	0	0	0
Total	\$ 289,403,857	\$ 103,026,835	\$ 132,979,860	\$ 50,696,206	\$ 2,700,956

The carrying amount of the discretely presented component units' deposits with financial institutions was \$6,934,681 and the bank balance was \$6,937,441, which is insured by FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes. On September 30, 2014 the component units had \$64,334 invested in Florida Prime. The Housing Finance Authority (a component unit) also had investments in mortgage-backed securities with AAA rating and a weighted average maturity of 17 years. The fair value of the component units Government National Mortgage Association and Federal National Mortgage Association securities on September 30, 2014 was \$1,004,060.

6. Receivables - The accounts receivable for the governmental activities of \$11,639,064 are net of allowances for doubtful accounts of \$3,245,539. Emergency Services charges are net of mandatory contractual adjustments in the amount of \$6,576,378 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 \$944,162 are net of allowances for doubtful accounts of \$111,128.

7. Prepaid items - The prepaid items include \$1,457,900 of premiums on insurance policies, \$182,517 of prepayments for purchase of major capital assets and \$2,303,928 of maintenance and service agreements and other prepayments.

8. Capital Assets

Capital assets activity for the year ended September 30, 2014, was as follows:

**Primary Government**

<b>Governmental Activities:</b>	<b>Oct. 1, 2013</b>	<b>Increases</b>	<b>Decreases</b>	<b>Sept. 30, 2014</b>
Capital assets not depreciated:				
Land	\$ 244,406,525	\$ 5,488,370	\$ 64,158	\$ 249,830,737
Easements	245,216	37,089	0	282,305
Construction in progress	48,702,950	30,540,751	49,200,459	30,043,242
Total assets not depreciated	\$ 293,354,691	\$ 36,066,210	\$ 49,264,617	\$ 280,156,284
Capital assets depreciated:				
Buildings and structures	\$ 295,127,432	\$ 10,211,511	\$ 237,077	\$ 305,101,866
Infrastructure	193,479,873	33,563,411	3,292,178	223,751,106
Improvements to land	61,195,201	8,386,649	6,170	69,575,680
Improvements other than buildings	39,072,194	621,326	528,668	39,164,852
Machinery and equipment	168,305,235	23,663,771	5,504,159	186,464,847
Total assets depreciated	\$ 757,179,935	\$ 76,446,668	\$ 9,568,252	\$ 824,058,351
Less accumulated depreciation:				
Buildings and structures	\$ 78,501,354	\$ 8,826,283	\$ 230,929	\$ 87,096,708
Infrastructure	55,712,905	5,792,416	109,740	61,395,581
Improvements to land	18,228,452	2,982,841	6,170	21,205,123
Improvements other than buildings	17,071,050	2,185,544	394,845	18,861,749
Machinery and equipment	117,163,707	14,423,255	5,076,097	126,510,865
Total accumulated depreciation	\$ 286,677,468	\$ 34,210,339	\$ 5,817,781	\$ 315,070,026
Total depreciable capital assets, net	\$ 470,502,467	\$ 42,236,329	\$ 3,750,471	\$ 508,988,325
Total governmental activities capital assets, net	\$ 763,857,158	\$ 78,302,539	\$ 53,015,088	\$ 789,144,609

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

<b>Business-type Activities:</b>	<u>Oct. 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2014</u>
Capital assets not depreciated:				
Land	\$ 37,938,919	\$ 5,000	\$ 478,000	\$ 37,465,919
Goodwill	940,130	0	0	940,130
Construction in progress	15,576,163	5,450,458	2,552,084	18,474,537
Total assets not depreciated	<u>\$ 54,455,212</u>	<u>\$ 5,455,458</u>	<u>\$ 3,030,084</u>	<u>\$ 56,880,586</u>
Capital assets depreciated:				
Buildings and structures	\$ 53,412,651	\$ 0	\$ 0	\$ 53,412,651
Infrastructure	18,696,852	1,453,699	0	20,150,551
Improvements to land	10,641,038	847,878	0	11,488,916
Improvements other than buildings	271,376,318	1,768,370	25,162	273,119,526
Machinery and equipment	52,651,676	6,777,725	4,045,413	55,383,988
Total assets depreciated	<u>\$ 406,778,535</u>	<u>\$ 10,847,672</u>	<u>\$ 4,070,575</u>	<u>\$ 413,555,632</u>
Less accumulated depreciation:				
Buildings and structures	\$ 21,042,282	\$ 1,440,324	\$ 0	\$ 22,482,606
Infrastructure	3,226,800	617,544	0	3,844,344
Improvements to land	7,044,517	510,426	0	7,554,943
Improvements other than buildings	169,940,445	5,336,289	25,162	175,251,572
Machinery and equipment	32,225,778	5,518,755	3,540,109	34,204,424
Total accumulated depreciation	<u>\$ 233,479,822</u>	<u>\$ 13,423,338</u>	<u>\$ 3,565,271</u>	<u>\$ 243,337,889</u>
Total depreciable capital assets, net	<u>\$ 173,298,713</u>	<u>\$ (2,575,666)</u>	<u>\$ 505,304</u>	<u>\$ 170,217,743</u>
Total business-type activities capital assets, net	<u>\$ 227,753,925</u>	<u>\$ 2,879,792</u>	<u>\$ 3,535,388</u>	<u>\$ 227,098,329</u>

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

<b>Governmental Activities:</b>	
General government	\$ 7,279,709
Public safety	9,085,398
Physical environment	762,881
Transportation	7,192,362
Economic environment	195,828
Human services	436,632
Culture and recreation	8,623,728
Internal service funds	526,211
Total	<u>\$ 34,102,749</u>

The increase in accumulated depreciation for governmental activities of \$34,210,339 differs from depreciation expense of \$34,102,749 because of accumulated depreciation in the amount of \$107,590 associated with assets transferred from business-type activities.

<b>Business-type Activities:</b>	
Solid Waste Management Department	\$ 4,701,554
Water Resources Department	4,632,135
Barefoot Bay Water & Sewer District	927,065
Space Coast Area Transit	2,677,323
Brevard County Golf Courses	484,117
Total	<u>\$ 13,422,194</u>

The increase in accumulated depreciation for business-type activities of \$13,423,338 differs from depreciation expense of \$13,422,194 because of accumulated depreciation in the amount of \$1,144 associated with assets transferred from governmental activities.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

Component Units	Oct. 1, 2013	Increases	Decreases	Sept. 30, 2014
<b>Titusville-Cocoa Airport Authority</b>				
Capital assets not depreciated:				
Land	\$ 14,204,818	\$ 0	\$ 0	\$ 14,204,818
Construction in progress	4,382,149	6,774,847	1,130,097	10,026,899
Total assets not depreciated	<u>\$ 18,586,967</u>	<u>\$ 6,774,847</u>	<u>\$ 1,130,097</u>	<u>\$ 24,231,717</u>
Capital assets depreciated:				
Buildings and structures	\$ 21,023,450	\$ 1,057,204	\$ 0	\$ 22,080,654
Improvements to land	1,462,466	151,775	0	1,614,241
Improvements other than buildings	22,635,796	432,717	0	23,068,513
Machinery and equipment	2,797,012	923,678	0	3,720,690
Total assets depreciated	<u>\$ 47,918,724</u>	<u>\$ 2,565,374</u>	<u>\$ 0</u>	<u>\$ 50,484,098</u>
Less accumulated depreciation:				
Buildings and structures	\$ 7,547,374	\$ 576,052	\$ 0	\$ 8,123,426
Improvements to land	294,824	39,856	0	334,680
Improvements other than buildings	8,863,013	706,884	0	9,569,897
Machinery and equipment	2,210,779	168,365	0	2,379,144
Total accumulated depreciation	<u>\$ 18,915,990</u>	<u>\$ 1,491,157</u>	<u>\$ 0</u>	<u>\$ 20,407,147</u>
Total depreciable capital assets, net	<u>\$ 29,002,734</u>	<u>\$ 1,074,217</u>	<u>\$ 0</u>	<u>\$ 30,076,951</u>
Total governmental activities capital assets, net	<u>\$ 47,589,701</u>	<u>\$ 7,849,064</u>	<u>\$ 1,130,097</u>	<u>\$ 54,308,668</u>

9. Construction and Other Significant Commitments - At September 30, 2014, the County had several uncompleted construction contracts and other contractual commitments as follows:

Project Title	Remaining committed
General government	\$ 13,631,792
Fire Rescue	607,988
Parks and Recreation	1,880,652
Road projects	22,702,289
Surface water improvement	4,566,209
Transit services	1,624,544
Total	<u>\$ 45,013,474</u>

The County executed agreements to accept the donation of land, public safety facilities, and cash in return for reimbursing the developer from future impact fees generated by building activity. The cash is to build a causeway interchange and improve the transportation network. On March 5, 2009, the County suspended transportation impact fees under Ordinance 09-08E. The Ordinance will sunset and be repealed on December 31, 2016. Although not obligated, the County reasonably expects to assess all other impact fees. Total cost for the public safety facilities and contribution relating to the roadways construction project was \$2,320,183 and \$6,765,736, respectively.

The anticipated future payments are as follows:

Year Ended September 30	Amount
2015	\$ 51,921
2016	51,921
2017	109,671
2018	128,921
2019	128,921
After 2019	<u>7,891,955</u>
Total anticipated future payments	<u>\$ 8,363,310</u>

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

10. Interfund Receivable and Payable Balances - The composition of interfund balances as of September 30, 2014, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Emergency Services	\$ 19
	Grants	884,001
	Other Governmental Funds	470
	Other Business-type Activities	468,000
Emergency Services	General Fund	60,160
	Grants	176,455
Nonmajor Governmental Funds	General Fund	486,839
	Grants	3,946,139
Solid Waste Management Department	General Fund	34,885
Water Resources Department	General Fund	69,772
	Barefoot Bay Water & Sewer District	62,122
Internal Service	General Fund	1,326,885
Fiduciary	General Fund	1,992
Total Interfund Receivables and Payables		<u>\$ 7,517,739</u>

These balances resulted from the time lag between the dates that interfund goods and services were provided and the payments between funds were made, along with temporary loans that were paid back at the beginning of fiscal year 2014.

11. Advances To and From Other Funds - The General Fund advance from other funds represents a loan from the Solid Waste Management (\$241,590), Water Resources (\$483,190) and Surface Water Improvement (\$241,524) funds for construction of an administrative office building, the \$966,304 balance is not scheduled to be paid in fiscal year 2015. The Barefoot Bay Water & Sewer District advance from other funds includes a loan from the Water Resources Department (\$600,000) for the acquisition and interconnection cost of the Snug Harbor Utility System. The loan will be repaid from future revenues of the system.
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 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, 2014, the estimated costs of closure and postclosure care for the landfills increased by \$823,977.

The following information is for the year ending September 30, 2014:

	<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	7,141,205 cu/yds	77%	\$12,643,172	\$3,713,203	7
Central Disposal	23,435,953 cu/yds	88%	\$21,018,319	\$4,398,770	3

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 \$31,014,534 have been restricted for this purpose within the Solid Waste Management Department Fund.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

13. Leases

- A. The County has entered into numerous capital lease arrangements for the purpose of acquiring operating and office equipment. The future minimum lease payments at September 30, 2014, are as follows:

Year Ended September 30	Governmental Activities
2015	\$ 178,588
2016	178,588
2017	47,089
Total minimum lease payments	\$ 404,265
Less amount representing interest	25,953
Present value of minimum lease payments	<u>\$ 378,312</u>

The assets currently being acquired through capital leases are as follows:

	Governmental Activities
Machinery and equipment	\$ 792,119
Accumulated depreciation	<u>\$ 315,264</u>

- B. The County leases office facilities, equipment, service and maintenance, office equipment, and vehicles, under noncancelable operating leases and cancelable operating leases. Total cost for noncancelable operating leases and cancelable operating leases were \$939,183, and \$666,816, respectively, for the year ended September 30, 2014. The future minimum lease payments for noncancelable operating leases are as follows:

Year Ended September 30	Amount
2015	\$ 940,748
2016	728,445
2017	415,524
2018	271,828
2019	233,069
2020-2024	723,642
2025-2029	104,340
2030-2031	28,606
Total minimum lease payable	<u>\$ 3,446,202</u>

14. Bonded and Other Indebtedness

A. Business-type Activities

\$17,135,000 2000 Utility Bonds (Barefoot Bay Utility System) - term bonds maturing October 1, 2018, are subject to mandatory redemption in amounts of \$500,000 to \$615,000 from October 1, 2014, 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.

\$11,990,000

\$1,547,000 2009A Subordinated Sales Tax Revenue Bond - due in annual installments of \$60,000 to \$113,000 through December 1, 2029; interest at 4.18%; issued to fund the repair and renovation of utility improvements for the Barefoot Bay Wastewater Treatment Plant; revenue is secured by a subordinate lien on the sales tax revenues along with the covenant to budget and appropriate from legally available non ad valorem revenues; payable from revenues of the utility system.

\$1,339,000

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

\$1,035,000 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 averaged 1.30% for the year ended September 30, 2014; this variable rate is based on the underlying commercial paper that is purchased during the fiscal year, the interest rate ranged from 1.00% to 1.59%; issued to fund construction of Savannahs Golf Course irrigation project; payable from the operations of the County's golf courses.

\$828,000

B. Governmental Activities

\$26,335,000 2013 Limited Ad Valorem Tax Refunding Bond - due in annual installments of \$2,385,000 to \$2,835,000 through September 1, 2024, interest at 1.93%; issued to refund all the outstanding 2005 Limited Ad Valorem Tax Bonds as of September 1, 2015, and pay certain costs of issuances; payable from ad valorem tax revenues.

\$26,025,000

\$11,300,000 2007 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$530,000 to \$775,000 through July 1, 2024; interest at 4.00% 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.

\$8,145,000

\$9,465,000 2011 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - bonds due in annual installments of \$900,000 to \$1,060,000 through July 1, 2021; interest at 2.85%; issued to refund all of the outstanding 2001 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds, and pay certain costs of issuance; payable from ad valorem tax revenues.

\$6,845,000

\$57,565,000 2007 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$1,895,000 to \$3,140,000 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.

\$29,665,000

\$27,850,000 2011 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - bonds due in annual installments of \$2,640,000 to \$3,130,000 through July 1, 2021; interest at 2.85%; issued to refund all of the outstanding 2001 South Brevard Recreation Special District Limited Ad Valorem Tax Bonds, and pay certain cost of issuance; payable from ad valorem tax revenues.

\$20,145,000

\$13,110,000 2007 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$410,000 to \$665,000 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.

\$6,400,000

\$8,075,000 2011 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds - bonds due in annual installments of \$765,000 to \$905,000 through July 1, 2021; interest at 2.85%; issued to refund all of the outstanding 2001 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds and pay certain costs of issuance; payable from ad valorem tax revenues.

\$5,840,000

\$13,435,000 2013 Subordinated Sales Tax Refunding Revenue Bond - due in annual installments of \$360,000 to \$1,255,000 through December 1, 2025; interest rate 1.93%, issued to currently refund the Sales Tax Refunding and Improvement Revenue Bonds, Series 2003, and partially advance refund the Sales Tax Revenue Bonds, Series 2005; payable from the half-cent sales tax distributed to the County.

\$12,710,000

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

\$14,000,000 2005 Sales Tax Revenue Bonds - serial bonds of \$710,000 due December 1, 2014; interest at 3.50%; issued to finance the cost of certain capital projects within the County; payable from the half-cent sales tax distributed to the County.	\$710,000
\$6,787,000 2009B Subordinated Sales Tax Refunding Revenue Bond - due in annual installments of \$360,000 to \$731,000 through December 1, 2018; interest at 2.93%; issued to currently refund the Second Guaranteed Entitlement Revenue Bonds, Series 1996, the Guaranteed Entitlement Revenue Bonds, Series 1999, and the Sales Tax Refunding Revenue Bonds, Series 1997; payable from the half-cent sales tax revenues distributed to the County. \$2,057,054 of the outstanding principal and any associated interest will be paid from revenues from the operation of the County's golf courses.	\$2,544,000
\$19,550,000 2010 Subordinated Sales Tax Refunding Revenue Bonds - due in annual installments of \$480,000 to \$2,915,000 through December 1, 2026; interest at 2.50%; issued to refund all of the outstanding 2001 Sales Tax Refunding and Improvement Revenue Bonds and pay certain costs of issuance; payable from the half-cent sales tax distribution to the County. \$892,234 of the outstanding principal and any associated interest will be paid from revenues from the operation of the County's golf courses.	\$11,210,000
\$9,475,000 2010 Non-Ad Valorem Revenue Note, - due in annual installments of \$920,000 to \$1,100,000 through December 1, 2020; interest at 2.86%; issued to refund all of the outstanding Florida Local Government Finance Commission Pooled Commercial Paper Notes, finance and refinance various capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.	\$7,065,000
\$6,000,000 2012 Non-Ad Valorem Revenue Note - due in annual installments of \$245,000 to \$390,000 through December 1, 2031; interest at 2.78%; issued to finance the cost of various capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.	\$5,580,000
\$15,730,000 2014 Non-Ad Valorem Revenue Note - due in semi-annual installments of \$261,632 to \$696,551 through November 1, 2032; interest at 3.52%; issued to finance various energy, water and wastewater performance capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.	\$15,730,000
\$25,525,000 2005 Constitutional Fuel Tax Revenue Refunding Bonds - due in annual installments of \$2,440,000 to \$2,990,000 through August 1, 2020; interest at 4.00% 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 revenues.	\$16,295,000
\$48,535,000 2005 Local Option Fuel Tax Revenue Bonds - due of \$2,080,000 on August 1, 2015; interest at 4.00%; issued to finance the cost of certain transportation projects within the County; payable from local option fuel tax revenues.	\$2,080,000
\$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%; issued to finance the cost of certain transportation projects within the County; payable from local option fuel tax revenues.	\$48,435,000
\$32,025,000 2014 Local Option Fuel Tax Refunding Revenue Bond - due in annual installments of \$325,000 to \$3,280,000 through August 1, 2026, interest at 2.77%; issued to partially advance refund the Local Option Fuel Tax Revenue Bonds, Series 2005, and pay certain costs of issuances: payable from local option fuel tax revenues.	\$31,960,000



BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

\$22,202,000 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, averaged 1.30% for the year ended September 30, 2014; this variable rate is based on the underlying commercial paper that is purchased during the fiscal year, the interest rate ranged from 1.00% to 1.59%; issued to fund 800 MHz Public Safety radio system upgrade, construction of T-hangars at the Valkaria Airport, purchase of helicopters for Mosquito Control; payable from the County's general revenues.

\$20,583,000

**C. Component Units**

\$2,450,000 Titusville-Cocoa Airport Authority Note - payable in equal monthly installments over 15 years through 2018; 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.

\$801,212

\$118,293 Titusville-Cocoa Airport Authority Note - payable in equal monthly installments over 15 years through 2018; interest at 2.50%; issued as part of a land swap transaction; payable from gross revenues of the Authority.

\$33,130

**D. Summary of Long-term Liabilities**

The long-term liability activity for the year ended September 30, 2014, was as follows:

	Oct. 1, 2013	Increase	Decrease	Sept. 30, 2014	Due within one year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 112,245,000	\$ 0	\$ 9,180,000	\$ 103,065,000	\$ 9,525,000
Revenue bonds	129,833,508	32,025,000	38,863,796	122,994,712	8,713,435
Deferred amounts:					
Discounts	(71)	0	(71)	0	0
Premiums	2,825,321	0	692,896	2,132,425	0
Total bonds payable	\$ 244,903,758	\$ 32,025,000	\$ 48,736,621	\$ 228,192,137	\$ 18,238,435
Revenue notes	13,780,000	15,730,000	1,135,000	28,375,000	1,165,000
Commercial paper notes	10,782,000	11,420,000	1,619,000	20,583,000	0
Leases payable	406,323	176,650	204,661	378,312	163,725
Accrued compensated absences	27,121,630	4,091,424	3,193,700	28,019,354	3,152,448
OPEB liability	23,508,292	2,382,773	3,695,753	22,195,312	0
Claims and judgments	16,715,817	55,051,467	54,619,038	17,148,246	9,209,403
Intergovernmental payable	346,566	0	86,642	259,924	86,641
Governmental activities long-term liabilities	\$ 337,564,386	\$ 120,877,314	\$ 113,290,415	\$ 345,151,285	\$ 32,015,652
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds	\$ 17,520,492	\$ 0	\$ 1,242,204	\$ 16,278,288	\$ 1,386,565
Deferred amounts:					
Discounts	(35,446)	0	(3,717)	(31,729)	0
Total bonds payable	\$ 17,485,046	\$ 0	\$ 1,238,487	\$ 16,246,559	\$ 1,386,565
Commercial paper notes	1,035,000	0	207,000	828,000	0
Landfill closure and postclosure care	32,837,514	823,977	0	33,661,491	0
Accrued compensated absences	1,771,787	275,317	221,800	1,825,304	221,407
OPEB liability	2,769,021	357,096	553,867	2,572,250	0
Business-type activities long-term liabilities	\$ 55,898,368	\$ 1,456,390	\$ 2,221,154	\$ 55,133,604	\$ 1,607,972

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

	Oct. 1, 2013	Increase	Decrease	Sept. 30, 2014	Due within one year
<b>Component units:</b>					
Notes payable	\$ 1,026,448	\$ 0	\$ 192,106	\$ 834,342	\$ 200,506
Accrued compensated absences	107,288	83,377	75,362	115,303	115,303
OPEB liability	132,197	3,416	10,982	124,631	0
Component units					
long-term liabilities	<u>\$ 1,265,933</u>	<u>\$ 86,793</u>	<u>\$ 278,450</u>	<u>\$ 1,074,276</u>	<u>\$ 315,809</u>

Internal Service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Claims and judgments liability is liquidated by the Risk Management Internal Service fund. Accrued compensated absences liability is liquidated with resources of the same fund that has paid the applicable employee's regular salaries and fringe benefits. The funds which typically have been used to liquidate the liability for compensated absences are primarily the General Fund, Emergency Services and Brevard County Transportation Trust funds. The OPEB liability has been adjusted to reflect a re-allocation among existing plan participants and has been accounted for in the annual required contribution (ARC) for reconciliation in the Other Postemployment Benefits note.

**E. Total Annual Debt Service Requirements**

Accrued compensated absences, claims and judgments, landfill closure and postclosure care, other postemployment benefit liability, and intergovernmental payable 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, 2014, are as follows:

Governmental activities						
Year Ending September 30	General Obligation Bonds		Revenue Bonds		Commercial Paper, Notes and Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 9,525,000	\$ 3,464,265	\$ 8,713,435	\$ 4,561,120	\$ 1,328,725	\$ 1,016,803
2016	9,865,000	3,150,479	7,247,729	4,270,702	1,893,802	1,132,348
2017	10,155,000	2,832,721	7,240,500	4,052,524	1,826,396	1,072,931
2018	10,490,000	2,509,236	7,467,326	3,830,542	11,018,555	950,226
2019	10,805,000	2,195,678	7,680,722	3,601,348	13,356,128	791,971
2020-2024	43,130,000	6,222,533	26,080,000	15,210,175	7,449,475	2,642,191
2025-2029	9,095,000	660,975	20,880,000	11,960,760	6,809,443	1,590,319
2030-2034	0	0	21,805,000	7,347,000	5,653,788	374,842
2035-2039	0	0	15,880,000	1,614,000	0	0
Total	<u>\$ 103,065,000</u>	<u>\$ 21,035,887</u>	<u>\$ 122,994,712</u>	<u>\$ 56,448,171</u>	<u>\$ 49,336,312</u>	<u>\$ 9,571,631</u>

Business-type activities						
Year Ending September 30	Revenue Bonds		Commercial Paper		Component units Notes and Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 1,386,565	\$ 719,318	\$ 0	\$ 10,764	\$ 200,526	\$ 31,892
2016	1,215,271	669,556	0	10,764	209,257	23,119
2017	1,109,500	622,667	0	10,764	218,436	13,959
2018	1,153,674	576,020	828,000	4,694	206,123	4,343
2019	1,195,278	527,393	0	0	0	0
2020-2024	3,988,000	2,041,692	0	0	0	0
2025-2029	5,062,000	933,976	0	0	0	0
2030-2034	1,168,000	28,737	0	0	0	0
Total	<u>\$ 16,278,288</u>	<u>\$ 6,119,359</u>	<u>\$ 828,000</u>	<u>\$ 36,986</u>	<u>\$ 834,342</u>	<u>\$ 73,313</u>

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

15. Intergovernmental payable – During fiscal year 2012, the County entered into a payment arrangement to reimburse for past Medicaid claims in the amount of \$433,207. The outstanding balance as of September 30, 2014 was \$259,924.
16. Current and Advance Refunding of Debt
- A. During fiscal year ended September 30, 2013, the County completed a current refunding of the outstanding Sales Tax Refunding and Improvement Revenue Bonds, Series 2003, and a partial advance refunding of the outstanding Sales Tax Revenue Bonds, Series 2005, to effect an overall reduction in debt service. The current and partial advance refunding was financed through sinking fund contribution and the issuance of \$13,435,000 Subordinated Sales Tax Refunding Revenue Bond, Series 2013. 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. The refunding transaction has saved the County aggregate debt service savings of \$1,467,909, and will result in an economic gain or present value savings of \$1,296,637. During fiscal year 2013, the Sales Tax Refunding and Improvement Revenue Bonds, Series 2003, were fully retired. Total outstanding principal of the Sales Tax Revenue Bonds, Series 2005, at September 30, 2014, was \$9,870,000.
- B. During fiscal year ended September 30, 2014, the County completed a partial advance refunding of the outstanding Local Option Fuel Tax Revenue Bonds, Series 2005, to effect an overall reduction in debt service. The partial advance refunding was financed through sinking fund contribution and the issuance of \$32,025,000 Local Option Fuel Tax Refunding Revenue Bond, Series 2014. 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. The refunding transaction has saved the County aggregate debt service savings of \$2,825,955 and will result in an economic gain or present value savings of \$2,394,990. Total outstanding principal of the Local Option Fuel Tax Revenue Bonds, Series 2005, at September 30, 2014, was \$30,285,000.
17. 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 covenant in the Barefoot Bay Water & Sewer District at September 30, 2014. This coverage test compares the required debt coverage against the revenue available after operating and maintenance expenses.

	Barefoot Bay Water & Sewer District
Gross revenues available for compliance	\$ 3,474,395
Operating and maintenance expense (excluding depreciation expense)	1,932,007
Amount of revenue over operating and maintenance expense	\$ 1,542,388
Debt coverage required	\$ 1,221,659
Percent coverage for the year ended September 30, 2014	126%

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

18. Condensed Financial Statements - Discretely Presented Component Units

A. Statement of Net Position

	North Brevard County Public Library District	Merritt Island Redevelopment Agency	North Brevard Economic Development Zone	Titusville- Cocoa Airport Authority	Housing Finance Authority	Total
<b>Assets:</b>						
Other assets	\$ 7,709	\$ 1,270,126	\$ 68,612	\$ 2,130,211	\$ 7,129,560	\$ 10,606,218
Capital assets, net of accumulated depreciation	0	0	0	54,308,668	0	54,308,668
<b>Total assets</b>	<b>\$ 7,709</b>	<b>\$ 1,270,126</b>	<b>\$ 68,612</b>	<b>\$ 56,438,879</b>	<b>\$ 7,129,560</b>	<b>\$ 64,914,886</b>
<b>Liabilities:</b>						
Current liabilities	\$ 0	\$ 3,939	\$ 220,272	\$ 1,046,340	\$ 57,110	\$ 1,327,661
Noncurrent liabilities	0	0	0	1,074,276	0	1,074,276
<b>Total liabilities</b>	<b>\$ 0</b>	<b>\$ 3,939</b>	<b>\$ 220,272</b>	<b>\$ 2,120,616</b>	<b>\$ 57,110</b>	<b>\$ 2,401,937</b>
<b>Net position:</b>						
Net investment in capital assets	\$ 0	\$ 0	\$ 0	\$ 53,474,326	\$ 0	\$ 53,474,326
Restricted for Housing	0	0	0	0	47,000	47,000
Unrestricted	7,709	1,266,187	(151,660)	843,937	7,025,450	8,991,623
<b>Total net position</b>	<b>\$ 7,709</b>	<b>\$ 1,266,187</b>	<b>\$ (151,660)</b>	<b>\$ 54,318,263</b>	<b>\$ 7,072,450</b>	<b>\$ 62,512,949</b>

B. Statement of Activities

	North Brevard County Public Library District	Merritt Island Redevelopment Agency	North Brevard Economic Development Zone	Titusville- Cocoa Airport Authority	Housing Finance Authority	Total
<b>Expenses:</b>						
Total expenses	\$ 2,017	\$ 1,862,191	\$ 170,596	\$ 3,344,184	\$ 126,142	\$ 5,505,130
<b>Program revenues:</b>						
Charges of services	\$ 2,694	\$ 0	\$ 0	\$ 2,100,902	\$ 160,245	\$ 2,263,841
Operating grants and contributions	0	390,410	0	0	0	390,410
Capital grants and contributions	0	0	0	7,185,954	0	7,185,954
<b>Total program revenues</b>	<b>\$ 2,694</b>	<b>\$ 390,410</b>	<b>\$ 0</b>	<b>\$ 9,286,856</b>	<b>\$ 160,245</b>	<b>\$ 9,840,205</b>
<b>Net program revenues (expenses)</b>	<b>\$ 677</b>	<b>\$ (1,471,781)</b>	<b>\$ (170,596)</b>	<b>\$ 5,942,672</b>	<b>\$ 34,103</b>	<b>\$ 4,335,075</b>
<b>General revenues:</b>						
Taxes	\$ 0	\$ 832,854	\$ 62,603	\$ 0	\$ 0	\$ 895,457
Other general revenues	0	1,923	245	46	71,258	73,472
<b>Total general revenues</b>	<b>\$ 0</b>	<b>\$ 834,777</b>	<b>\$ 62,848</b>	<b>\$ 46</b>	<b>\$ 71,258</b>	<b>\$ 968,929</b>
<b>Changes in net position</b>	<b>\$ 677</b>	<b>\$ (637,004)</b>	<b>\$ (107,748)</b>	<b>\$ 5,942,718</b>	<b>\$ 105,361</b>	<b>\$ 5,304,004</b>
<b>Beginning net position</b>	<b>7,032</b>	<b>1,903,191</b>	<b>(43,912)</b>	<b>48,375,545</b>	<b>6,967,089</b>	<b>57,208,945</b>
<b>Ending net position</b>	<b>\$ 7,709</b>	<b>\$ 1,266,187</b>	<b>\$ (151,660)</b>	<b>\$ 54,318,263</b>	<b>\$ 7,072,450</b>	<b>\$ 62,512,949</b>

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 \$500,000 for each worker's compensation claim, \$100,000 for each auto liability claim, and \$50,000 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, as a result of named storms, 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 a special flood hazard area is \$500,000.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

The County purchases commercial insurance for its aviation assets and exposures, with various deductible scenarios for aircraft and airport operations, pollution insurance with a \$50,000 deductible per occurrence, and all risk property coverage including boiler and machine coverage, inland marine coverage, and flood and weather related claims in excess of coverage provided by the self-insured fund. For auto, general and professional liability, crime and workers compensation insurance the County participates in a public entity risk pool, the Preferred Governmental Insurance Trust (PGIT) for claims in excess of its self-insured retentions. PGIT and the County have the same rights and responsibilities as exist between a commercial insurer and insured entity. Settled claims have not exceeded this public entity risk pool coverage in any of the past three years.

The County has established a self-insured Employee Group Health Insurance Program to account for medical insurance claims of County employees, retirees and their covered dependents. Under this program, the fund provides the employee with coverage that meets or exceeds Minimum Essential Coverage (MEC) standards in accordance with federal mandates under the Patient Protection and Affordable Care Act (PPACA) for a large employer group health plan. Ongoing implementation of additional PPACA mandates will follow the timeline established for large employer group health plans through 2018. With the implementation of federal mandates removing annual and lifetime benefit caps from large employer group health plans in 2014, the County reinitiated Stop Loss / excess insurance coverage for its self-insured medical claims in the 2014 plan year. The County had self-insured this exposure since 2010. Stop loss coverage has a specific deductible of \$600,000 per claim and an aggregating deductible of \$135,000 for the 2014 plan year. The County has contracted with various agencies (third party administrators) 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 \$17,148,246 in the Risk Management fund, reported at September 30, 2014, 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 2013 and 2014 were:

	<u>2013</u>	<u>2014</u>
Beginning of fiscal year liability	\$ 16,406,856	\$ 16,715,817
Current year claims	48,478,582	55,051,467
Claims payments	<u>(48,169,621)</u>	<u>(54,619,038)</u>
Balance at fiscal year end	<u>\$ 16,715,817</u>	<u>\$ 17,148,246</u>

The claims liability at September 30, 2014, has been calculated as follows:

Present value of estimated outstanding losses	\$ 17,660,914
(estimated losses of \$18,989,166, discounted to reflect future investment earnings at 2.0%)	
Unallocated loss adjustment expenses (calculated at 7.5% of outstanding losses excluding medical insurance)	1,028,999
Estimated recoveries on settled claims	<u>(1,541,667)</u>
Claims liability at September 30, 2014	<u>\$ 17,148,246</u>

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

20. 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, 2014, were:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Emergency Services	\$ 9,185,365
	Brevard County Transportation Trust	2,904,576
	Grants	486,797
	Other Governmental Funds	12,780,664
	Water Resources Department	57,270
	Other Business-type Activities	2,264,208
	Internal Service Funds	1,066,527
Emergency Services	General Fund	852,410
	Brevard County Transportation Trust	10,215
	Other Governmental Funds	73,007
	Internal Service Funds	187,973
Brevard County Transportation Trust	General Fund	230,000
	Emergency Services	471
	Grants	101,237
	Other Governmental Funds	195,084
	Internal Service Funds	39,076
Other Governmental Funds	General Fund	8,607,876
	Brevard County Transportation Trust	194,525
	Other Governmental Funds	3,086,980
	Internal Service Funds	293,238
Solid Waste Management Department	General Fund	1,310,491
	Other Governmental Funds	73,607
	Internal Service Funds	126,748
Water Resources Department	General Fund	1,349,990
	Emergency Services	1,128
	Other Governmental Funds	226,493
	Internal Service Funds	70,244
Barefoot Bay Water & Sewer District	General Fund	95,092
	Other Governmental Funds	15,381
Other Business-type Activities	General Fund	259,356
Total Transfers		<u>\$ 46,146,029</u>

Transfers are used to allocate funding within the County government. These include subsidized functions such as emergency services, transportation, parks and recreation, and mosquito control. The County transfers resources pledged to service annual debt payments to the Debt Service Funds.

21. 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.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

22. Contingent Liabilities – A claim has been asserted against the Clerk of the Circuit Court for non-payment on a \$6.1 million promissory note. The promissory note was executed by the former Clerk after losing the primary election in August of 2012. The balance of the note at the time the current Clerk ceased making payments was approximately \$5.88 million. The current Clerk has asserted that the promissory note is not valid and that services and equipment were not received in consideration of the payment. The former Clerk and the CEO of the company that was the beneficiary of the note have since been arrested on charges of bribery, bid tampering, and other related conspiracy charges. In addition, the former Clerk has been charged with official misconduct. The parties in the lawsuit remain in discovery and the Clerk anticipates moving for summary judgment.

There are a number of other 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.

23. Retirement Plan - All Brevard County permanent employees participate in the Florida Retirement System (FRS), 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, as of July 1, 2011, mandates that all employees contribute 3% of gross pay and remaining 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. If employees were initially enrolled in the FRS before July 1, 2011, they will be vested after six years. After July 1, 2011, employees will be vested after eight years of service. Employees are eligible for normal retirement with 30 years of creditable service or at age 62. Early retirement may be taken any time after vesting service has been satisfied; 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.

Brevard County is required to contribute an actuarially determined rate. The retirement plan is funded by employer contributions and is based on gross pay. Through June 2014, the employer contribution rate was 6.95% for regular employees, 19.06% for special-risk employees (law enforcement officers, correctional officers, and firefighters) and 33.03% for elected officials. Effective July 2014, the employer contribution rate changed to the following: 7.37% for regular employees, 19.82% for special-risk employees and 43.24% for elected officials. The County's contributions for the years ending September 30, 2014, 2013, and 2012, were \$22,037,895, \$16,737,147 and \$14,275,173, respectively, which equal the required contributions for each year. Contributions for the year ending September 30, 2014, represented 12.21% 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, P. O. Box 9000, Tallahassee, FL 32315-9000.

24. Other Postemployment Benefits

Plan Description - The Brevard County Board of County Commissioners (Board) administers a single employer defined benefit healthcare plan (the "Plan"). The Plan provides health care benefits including medical coverage and prescription drug benefits to both active and eligible retired employees and their dependents. Florida Statutes require local governments to offer the same health and hospitalization insurance coverage to retirees and their eligible dependents as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. For the retired employees and their eligible dependents, the cost of any such continued participation may be paid by the employer or by the retired employees. Full time employees of the Board and Constitutional Officers are eligible to participate in the Plan. Employees who are active participants in the plan at the time of retirement and are either age 62 with completion of six years of service or have 30 years of service are also eligible to participate. The Plan does not issue a publicly available financial report.

The Board may amend the plan design, with changes to the benefits, premiums and/or levels of participant contribution at any time. On at least an annual basis and prior to the enrollment process, the Board approves the rates for the coming year for the retiree, employee and County contributions.

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

As of September 30, 2014, the membership of the County's medical plan consisted of:

	<u>County</u>
Active Employees	4,274
Retirees, Spouses and Beneficiaries	<u>1,392</u>
Total	<u><u>5,666</u></u>

Funding Policy - The maximum employer contribution target is 56% of the annual premium cost of the plan. The annual premium costs for the plan's self-insured plans are between \$8,909 and \$15,255 for retirees and spouses under age 65 and between \$5,503 and \$9,207 for retirees and spouses age 65 and over. 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 6 years of service or upon completing 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. The County increased the contributions required from participants which significantly reduced the unfunded actuarial accrued liability as of the most recent valuation date.

Annual OPEB Costs and Net OPEB Obligation - The County's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC). The ARC is actuarially determined in accordance with standards set in accepted accounting standards and represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize past unfunded liabilities over thirty years. The Brevard County governing body has elected not to completely fund the ARC.

The following table shows the actuarial determined components of the obligation as of September 30, 2012, 2013 and 2014 based on the plan provisions:

	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>	<u>Sept. 30, 2014</u>
Annual required contribution	\$ 7,903,015	\$ 6,252,988	\$ 3,480,294
Interest on net OPEB contribution	507,546	503,634	261,040
Adjustment to annual required contribution	<u>(824,532)</u>	<u>(900,568)</u>	<u>(1,001,465)</u>
Annual OPEB cost (expense)	\$ 7,586,029	\$ 5,856,054	\$ 2,739,869
Contributions made	<u>(4,140,014)</u>	<u>(4,462,711)</u>	<u>(4,249,620)</u>
Increase (decrease) in net OPEB obligation	\$ 3,446,015	\$ 1,393,343	\$ (1,509,751)
Net OPEB obligation - beginning of year	<u>21,437,955</u>	<u>24,883,970</u>	<u>26,277,313</u>
Net OPEB obligation - end of year	<u><u>\$ 24,883,970</u></u>	<u><u>\$ 26,277,313</u></u>	<u><u>\$ 24,767,562</u></u>

No trust or agency fund has been established for the plan, and there were no adjustments to the annual required contribution or interest earnings.

Funded Status and Funding Progress - The contributions made for the 2012, 2013 and 2014 fiscal years were 54.6%, 76.2% and 155.1% respectively of the annual OPEB cost. As of the October 1, 2013, actuarial valuation date, the actuarial accrued liability for benefits was \$62,481,801, all of which was unfunded. The annual payroll of active employees covered by the OPEB plan was \$180,439,430 and the ratio of the UAAL to the covered payroll was 34.6%. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time, relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.



BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

Calculations for financial reporting purposes are based on the benefits provided under terms of the substantive plan (the plan as understood by the employer and the plan members) in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations or the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The actuarial methods are:

Actuarial cost method	Projected unit credit
Amortization method	Level percent of compensation
Amortization period (open)	30 years

The actuarial assumptions are:

Investment rate of return	1.00%
Payroll growth/inflation	0%
Healthcare cost trend rate	7% for fiscal year 2014, decreasing to a rate of 5% for the 2020 fiscal year.

25. Comparison of Expenditures to Appropriations – Expenditures exceeded appropriations in the Records Modernization Trust Fund by \$8,574, as a result of a capital expenditure for which funds were available. Expenditures also exceeded the appropriations in the Loans Fund by \$112,825, as a result of a required principal payment that was unbudgeted for which funding was available to make the principal payment.
26. Restatement of prior year balances – During fiscal year 2014, errors in recording refunds associated with ambulance revenue and unavailable revenue in the Emergency Services fund were corrected. In fiscal years 2009 through 2012, refunds issued to patients and insurance providers on ambulance accounts were not netted against ambulance service fees. Accordingly, revenue was overstated and unavailable revenue was understated in those years by \$800,084. In fiscal year 2013, ambulance service fees were understated and unavailable revenue was overstated by \$125,333 due to an error in recording adjustments to revenue related to amounts owed for Medicare and Medicaid payments. The net adjustment to beginning fund balance on the Statement of Revenues, Expenditures and Changes in Fund Balance in the Emergency Services fund as a result of these errors was a decrease of \$674,751.
27. Subsequent Events – On October 15, 2014, the County issued \$25,475,000 Water and Wastewater Utility Revenue Bonds, Series 2014. The proceeds of the bonds are to be used for the acquisition, construction and equipping of various capital improvements to the County's Water and Wastewater Utility System.

On October 31, 2014, the County issued \$4,100,000 from the Florida Local Government Finance Commission's tax exempt commercial paper program to finance expansion of the 800 MHz communication system.

The County has evaluated subsequent events through March 19, 2015, the date which the financial statements were issued.

BREVARD COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
FOR THE RETIREE HEALTH PLAN  
SEPTEMBER 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 136,333,419	\$ 136,333,419	0.0%	\$ 188,328,613	72.4%
10/01/2008	\$ 0	\$ 136,333,419	\$ 136,333,419	0.0%	\$ 184,571,358	73.9%
10/01/2009	\$ 0	\$ 93,372,773	\$ 93,372,773	0.0%	\$ 178,802,238	52.2%
10/01/2010	\$ 0	\$ 95,645,627	\$ 95,645,627	0.0%	\$ 168,549,917	56.7%
10/01/2011	\$ 0	\$ 110,382,010	\$ 110,382,010	0.0%	\$ 168,325,000	65.5%
10/01/2012	\$ 0	\$ 110,847,862	\$ 110,847,862	0.0%	\$ 172,955,409	64.1%
10/01/2013	\$ 0	\$ 62,481,801	\$ 62,481,801	0.0%	\$ 180,439,430	34.6%

## Nonmajor Governmental Funds

### **Special Revenue Funds**

Recreation Special Districts - to account for ad valorem tax levies, service charges and other funding sources 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.

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 95-34.

Fines and Court Costs - to account for fines and court costs imposed upon those found guilty of criminal offenses that are to be used for various judicial costs.

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.

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

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.

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.

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

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

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**

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.

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

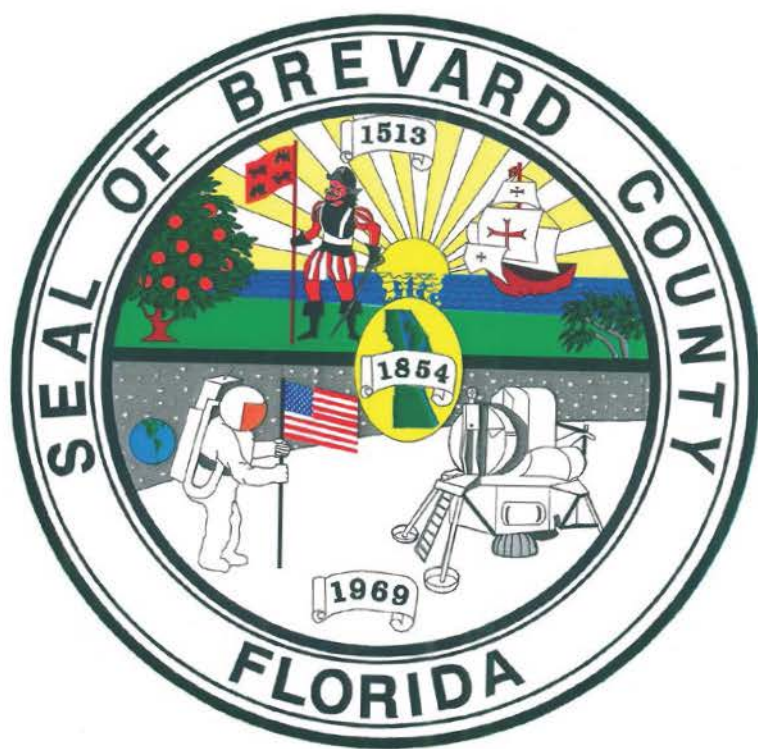
Loans - to fund the construction of T-hangers and special assessment projects, finance the dredging of channels and canals, acquisition of land and buildings, and purchase of various capital equipment.

#### **Capital Projects Funds**

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

Parks and Recreation Facilities - to account for the construction and improvements made to recreational facilities in Brevard County.

Environmentally Endangered Land Purchases - to account for the acquisition of and improvements to, environmentally endangered lands in Brevard County.



BREVARD COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<i>Special Revenue</i>	
	<i>Recreation Special Districts</i>	<i>Brevard County Free Public Library District</i>
<b>ASSETS</b>		
Cash	\$ 1,467,253	\$ 5,077,052
Receivables (net of allowance for uncollectibles):		
Accounts	0	139
Taxes	9,333	37,478
Assessments	0	0
Accrued interest	1,828	6,019
Due from other funds	20,885	93,206
Due from other governmental units	100,119	25,802
Inventory of supplies	97,215	0
Advances to other funds	0	0
Prepaid items	0	8,750
Total assets	<u>\$ 1,696,633</u>	<u>\$ 5,248,446</u>
<b>LIABILITIES</b>		
Vouchers and contracts payable	\$ 145,269	\$ 243,565
Accrued wages and benefits payable	0	0
Due to other funds	15	43
Due to other governmental units	562	908
Unearned revenue	0	0
Total liabilities	<u>\$ 145,846</u>	<u>\$ 244,516</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue-intergovernmental	\$ 100,119	\$ 0
Unavailable revenue-taxes and assessments	9,333	37,478
Unavailable revenue-future reimbursements	0	0
Total deferred inflows of resources	<u>\$ 109,452</u>	<u>\$ 37,478</u>
<b>Fund balances:</b>		
Non-spendable	\$ 97,215	\$ 8,750
Restricted	1,344,120	4,957,702
Committed	0	0
Assigned	0	0
Total fund balances	<u>\$ 1,441,335</u>	<u>\$ 4,966,452</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,696,633</u>	<u>\$ 5,248,446</u>

<i>Special Revenue</i>				
<i>Brevard County Mosquito Control District</i>	<i>Special Road And Bridge Districts</i>	<i>Surface Water Improvement Division</i>	<i>Fines and Court Costs</i>	<i>Special Law Enforcement District</i>
\$ 3,239,958	\$ 5,009,002	\$ 6,339,698	\$ 3,827,870	\$ 2,864,050
0	0	23,961	108,036	0
13,619	11,534	0	0	27,639
0	0	5,927	0	0
3,903	6,193	8,739	1,323	198
33,498	25,394	1,997,110	0	112,254
143,931	0	280,398	0	50,280
972,320	235,142	0	4,309	0
0	0	241,524	0	0
5,000	0	0	0	0
<u>\$ 4,412,229</u>	<u>\$ 5,287,265</u>	<u>\$ 8,897,357</u>	<u>\$ 3,941,538</u>	<u>\$ 3,054,421</u>
\$ 59,765	\$ 282,305	\$ 460,512	\$ 491,439	\$ 13,087
0	0	0	0	645,019
16	10	0	0	323
0	0	0	4,975	3,458
0	0	0	289,309	0
<u>\$ 59,781</u>	<u>\$ 282,315</u>	<u>\$ 460,512</u>	<u>\$ 785,723</u>	<u>\$ 661,887</u>
\$ 139,933	\$ 0	\$ 223,629	\$ 0	\$ 0
13,619	11,534	5,927	0	27,639
0	0	0	0	0
<u>\$ 153,552</u>	<u>\$ 11,534</u>	<u>\$ 229,556</u>	<u>\$ 0</u>	<u>\$ 27,639</u>
\$ 977,320	\$ 235,142	\$ 241,524	\$ 4,309	\$ 0
3,221,576	4,758,274	7,965,765	3,151,506	2,364,895
0	0	0	0	0
0	0	0	0	0
<u>\$ 4,198,896</u>	<u>\$ 4,993,416</u>	<u>\$ 8,207,289</u>	<u>\$ 3,155,815</u>	<u>\$ 2,364,895</u>
<u>\$ 4,412,229</u>	<u>\$ 5,287,265</u>	<u>\$ 8,897,357</u>	<u>\$ 3,941,538</u>	<u>\$ 3,054,421</u>

BREVARD COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<i>Special Revenue</i>	
	<i>Education Impact Fees</i>	<i>Tourist Development Tax</i>
<b>ASSETS</b>		
Cash	\$ 5,725,536	\$ 19,487,881
Receivables (net of allowance for uncollectibles):		
Accounts	0	11,635
Taxes	0	0
Assessments	0	0
Accrued interest	6,867	24,468
Due from other funds	0	1,708,123
Due from other governmental units	0	626,566
Inventory of supplies	0	6,409
Advances to other funds	0	0
Prepaid items	0	0
Total assets	<u>\$ 5,732,403</u>	<u>\$ 21,865,082</u>
<b>LIABILITIES</b>		
Vouchers and contracts payable	\$ 0	\$ 524,052
Accrued wages and benefits payable	0	0
Due to other funds	0	0
Due to other governmental units	0	14,137
Unearned revenue	0	0
Total liabilities	<u>\$ 0</u>	<u>\$ 538,189</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue-intergovernmental	\$ 0	\$ 0
Unavailable revenue-taxes and assessments	0	0
Unavailable revenue-future reimbursements	0	0
Total deferred inflows of resources	<u>\$ 0</u>	<u>\$ 0</u>
<b>Fund balances:</b>		
Non-spendable	\$ 0	\$ 6,409
Restricted	5,732,403	21,320,484
Committed	0	0
Assigned	0	0
Total fund balances	<u>\$ 5,732,403</u>	<u>\$ 21,326,893</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,732,403</u>	<u>\$ 21,865,082</u>



<i>Special Revenue</i>				<i>Debt Service</i>
<i>State Housing Initiative Partnership</i>	<i>Environmentally Endangered Land Program</i>	<i>Brevard County Building Code Compliance</i>	<i>Records Modernization Trust</i>	<i>Limited Ad Valorem Tax Bonds</i>
\$ 967,637	\$ 1,362,606	\$ 2,205,512	\$ 14,586	\$ 4,249,109
73,399	0	0	0	0
0	3,704	0	0	33,787
0	0	0	0	0
1,190	1,658	2,629	0	5,074
0	0	0	0	104,003
0	0	0	0	0
0	14,885	0	0	0
0	0	0	0	0
0	0	1,000	129,204	0
<u>\$ 1,042,226</u>	<u>\$ 1,382,853</u>	<u>\$ 2,209,141</u>	<u>\$ 143,790</u>	<u>\$ 4,391,973</u>
\$ 33,481	\$ 57,687	\$ 21,600	\$ 2,888	\$ 0
0	0	0	5,045	0
0	0	0	0	62
0	19	11,425	0	0
0	15,900	0	0	0
<u>\$ 33,481</u>	<u>\$ 73,606</u>	<u>\$ 33,025</u>	<u>\$ 7,933</u>	<u>\$ 62</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	3,704	0	0	33,787
73,399	0	0	0	0
<u>\$ 73,399</u>	<u>\$ 3,704</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 33,787</u>
\$ 0	\$ 14,885	\$ 1,000	\$ 0	\$ 0
935,346	1,290,658	2,175,116	135,857	4,358,124
0	0	0	0	0
0	0	0	0	0
<u>\$ 935,346</u>	<u>\$ 1,305,543</u>	<u>\$ 2,176,116</u>	<u>\$ 135,857</u>	<u>\$ 4,358,124</u>
<u>\$ 1,042,226</u>	<u>\$ 1,382,853</u>	<u>\$ 2,209,141</u>	<u>\$ 143,790</u>	<u>\$ 4,391,973</u>

BREVARD COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<i>Debt Service</i>	
	<i>Sales Tax Revenue Bonds</i>	<i>Loans</i>
<b>ASSETS</b>		
Cash	\$ 432,996	\$ 50,378
Receivables (net of allowance for uncollectibles):		
Accounts	0	0
Taxes	749	0
Assessments	0	3,368
Accrued interest	518	67
Due from other funds	3,162	0
Due from other governmental units	0	0
Inventory of supplies	0	0
Advances to other funds	0	0
Prepaid items	0	0
Total assets	<u>\$ 437,425</u>	<u>\$ 53,813</u>
<b>LIABILITIES</b>		
Vouchers and contracts payable	\$ 0	\$ 16,155
Accrued wages and benefits payable	0	0
Due to other funds	1	0
Due to other governmental units	0	0
Unearned revenue	0	0
Total liabilities	<u>\$ 1</u>	<u>\$ 16,155</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue-intergovernmental	\$ 0	\$ 0
Unavailable revenue-taxes and assessments	749	2,834
Unavailable revenue-future reimbursements	0	0
Total deferred inflows of resources	<u>\$ 749</u>	<u>\$ 2,834</u>
<b>Fund balances:</b>		
Non-spendable	\$ 0	\$ 0
Restricted	436,675	34,824
Committed	0	0
Assigned	0	0
Total fund balances	<u>\$ 436,675</u>	<u>\$ 34,824</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 437,425</u>	<u>\$ 53,813</u>

<i>Capital Projects</i>			
<i>General Government Facilities</i>	<i>Parks and Recreation Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Total</i>
\$ 16,401,841	\$ 8,518,893	\$ 4,591,270	\$ 91,833,128
0	0	0	217,170
0	0	0	137,843
0	0	0	9,295
19,637	10,367	5,482	106,160
59,565	275,778	0	4,432,978
0	0	0	1,227,096
0	0	0	1,330,280
0	0	0	241,524
0	0	0	143,954
<u>\$ 16,481,043</u>	<u>\$ 8,805,038</u>	<u>\$ 4,596,752</u>	<u>\$ 99,679,428</u>
\$ 1,553,339	\$ 734,751	\$ 10,151	\$ 4,650,046
0	0	0	650,064
0	0	0	470
0	0	0	35,484
0	0	0	305,209
<u>\$ 1,553,339</u>	<u>\$ 734,751</u>	<u>\$ 10,151</u>	<u>\$ 5,641,273</u>
\$ 0	\$ 0	\$ 0	\$ 463,681
0	0	0	146,604
0	0	0	73,399
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 683,684</u>
\$ 0	\$ 0	\$ 0	\$ 1,586,554
13,624,316	8,070,287	4,586,601	90,464,529
1,295,137	0	0	1,295,137
8,251	0	0	8,251
<u>\$ 14,927,704</u>	<u>\$ 8,070,287</u>	<u>\$ 4,586,601</u>	<u>\$ 93,354,471</u>
<u>\$ 16,481,043</u>	<u>\$ 8,805,038</u>	<u>\$ 4,596,752</u>	<u>\$ 99,679,428</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Special Revenue</i>	
	<i>Recreation Special Districts</i>	<i>Brevard County Free Public Library District</i>
REVENUES		
Taxes	\$ 3,684,737	\$ 14,801,671
Permits, fees and special assessments	0	76,586
Intergovernmental revenues	58,166	0
Charges for services	195,091	0
Fines and forfeits	0	615,774
Miscellaneous revenues	273,374	146,668
Total revenues	<u>\$ 4,211,368</u>	<u>\$ 15,640,699</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	7,727,490	13,391,196
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	<u>\$ 7,727,490</u>	<u>\$ 13,391,196</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,516,122)</u>	<u>\$ 2,249,503</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 3,404,213	\$ 321,394
Transfers out	(738,080)	(1,695,806)
Proceeds of the sale of capital assets	17,836	0
Insurance proceeds	11,913	0
Capital related debt issued	0	0
Total other financing sources and uses	<u>\$ 2,695,882</u>	<u>\$ (1,374,412)</u>
Net change in fund balances	<u>\$ (820,240)</u>	<u>\$ 875,091</u>
Fund balances - beginning	2,275,750	4,180,824
Increase (decrease) in non-spendable	(14,175)	(89,463)
Fund balances - ending	<u><u>\$ 1,441,335</u></u>	<u><u>\$ 4,966,452</u></u>

*Special Revenue*

<i>Brevard County Mosquito Control District</i>	<i>Special Road And Bridge Districts</i>	<i>Surface Water Improvement Division</i>	<i>Fines and Court Costs</i>	<i>Special Law Enforcement District</i>
\$ 5,319,726	\$ 3,975,409	\$ 0	\$ 0	\$ 14,877,672
0	0	3,298,204	0	0
0	0	137,029	0	86,350
49,449	0	57,897	3,027,444	2,701,148
0	0	0	1,110,678	0
24,764	19,608	627,169	776,612	138,537
<u>\$ 5,393,939</u>	<u>\$ 3,995,017</u>	<u>\$ 4,120,299</u>	<u>\$ 4,914,734</u>	<u>\$ 17,803,707</u>
\$ 0	\$ 0	\$ 0	\$ 4,723,548	\$ 0
0	0	0	1,713,088	17,423,925
284,411	0	5,716,430	0	0
0	3,979,950	0	0	0
0	0	0	0	0
4,652,857	0	0	0	0
0	0	0	0	0
0	0	68,423	0	0
0	0	0	0	0
0	0	0	0	0
0	0	16,117	0	0
<u>\$ 4,937,268</u>	<u>\$ 3,979,950</u>	<u>\$ 5,800,970</u>	<u>\$ 6,436,636</u>	<u>\$ 17,423,925</u>
\$ 456,671	\$ 15,067	\$ (1,680,671)	\$ (1,521,902)	\$ 379,782
\$ 173,207	\$ 25,394	\$ 195,084	\$ 3,285,737	\$ 93,814
(2,101,743)	(149,036)	(254,505)	(1,457,613)	(553,538)
200	52	72	1,130	6,640
5,502	0	0	0	0
0	0	2,000,000	0	0
<u>\$ (1,922,834)</u>	<u>\$ (123,590)</u>	<u>\$ 1,940,651</u>	<u>\$ 1,829,254</u>	<u>\$ (453,084)</u>
\$ (1,466,163)	\$ (108,523)	\$ 259,980	\$ 307,352	\$ (73,302)
6,281,298	5,111,875	7,947,309	2,847,175	2,438,197
(616,239)	(9,936)	0	1,288	0
<u>\$ 4,198,896</u>	<u>\$ 4,993,416</u>	<u>\$ 8,207,289</u>	<u>\$ 3,155,815</u>	<u>\$ 2,364,895</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Special Revenue</i>	
	<i>Education Impact Fees</i>	<i>Tourist Development Tax</i>
REVENUES		
Taxes	\$ 0	\$ 9,887,226
Permits, fees and special assessments	4,714,009	0
Intergovernmental revenues	0	0
Charges for services	0	0
Fines and forfeits	0	0
Miscellaneous revenues	0	174,029
Total revenues	<u>\$ 4,714,009</u>	<u>\$ 10,061,255</u>
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	0
Physical environment	0	3,526,718
Transportation	0	0
Economic environment	0	4,937,447
Human services	0	0
Culture and recreation	0	715,507
Intergovernmental	8,679,750	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	<u>\$ 8,679,750</u>	<u>\$ 9,179,672</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,965,741)</u>	<u>\$ 881,583</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 0	\$ 0
Transfers out	(191,305)	(408,557)
Proceeds of the sale of capital assets	0	838
Insurance proceeds	0	0
Capital related debt issued	0	0
Total other financing sources and uses	<u>\$ (191,305)</u>	<u>\$ (407,719)</u>
Net change in fund balances	<u>\$ (4,157,046)</u>	<u>\$ 473,864</u>
Fund balances - beginning	9,889,449	20,855,263
Increase (decrease) in non-spendable	0	(2,234)
Fund balances - ending	<u><u>\$ 5,732,403</u></u>	<u><u>\$ 21,326,893</u></u>

<i>Special Revenue</i>				<i>Debt Service</i>
<i>State Housing Initiative Partnership</i>	<i>Environmentally Endangered Land Program</i>	<i>Brevard County Building Code Compliance</i>	<i>Records Modernization Trust</i>	<i>Limited Ad Valorem Tax Bonds</i>
\$ 0	\$ 1,395,595	\$ 18,045	\$ 0	\$ 13,006,241
0	0	2,597,229	0	0
412,664	0	0	0	0
0	744	2,250	1,096,629	0
0	0	8,214	432,538	0
176,494	213,100	23,711	1,214	46,755
<u>\$ 589,158</u>	<u>\$ 1,609,439</u>	<u>\$ 2,649,449</u>	<u>\$ 1,530,381</u>	<u>\$ 13,052,996</u>
\$ 0	\$ 0	\$ 0	\$ 2,299,274	\$ 0
0	0	1,865,653	0	0
0	2,067,114	0	0	0
0	0	0	0	0
770,630	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	9,180,000
0	0	0	0	3,829,177
<u>\$ 770,630</u>	<u>\$ 2,067,114</u>	<u>\$ 1,865,653</u>	<u>\$ 2,299,274</u>	<u>\$ 13,009,177</u>
<u>\$ (181,472)</u>	<u>\$ (457,675)</u>	<u>\$ 783,796</u>	<u>\$ (768,893)</u>	<u>\$ 43,819</u>
\$ 0	\$ 857,091	\$ 20,590	\$ 0	\$ 504,003
0	0	(24,958)	0	(613,063)
81	16	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ 81</u>	<u>\$ 857,107</u>	<u>\$ (4,368)</u>	<u>\$ 0</u>	<u>\$ (109,060)</u>
\$ (181,391)	\$ 399,432	\$ 779,428	\$ (768,893)	\$ (65,241)
1,116,737	909,283	1,395,688	904,750	4,423,365
0	(3,172)	1,000	0	0
<u>\$ 935,346</u>	<u>\$ 1,305,543</u>	<u>\$ 2,176,116</u>	<u>\$ 135,857</u>	<u>\$ 4,358,124</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Debt Service</i>	
	<i>Sales Tax Revenue Bonds</i>	<i>Loans</i>
REVENUES		
Taxes	\$ 315,354	\$ 0
Permits, fees and special assessments	0	1,110
Intergovernmental revenues	0	0
Charges for services	0	0
Fines and forfeits	0	0
Miscellaneous revenues	1,186	214
Total revenues	<u>\$ 316,540</u>	<u>\$ 1,324</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	0	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	4,188,796	2,678,000
Interest	565,232	604,472
Total expenditures	<u>\$ 4,754,028</u>	<u>\$ 3,282,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (4,437,488)</u>	<u>\$ (3,281,148)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 4,438,474	\$ 3,132,215
Transfers out	(18,260)	0
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Capital related debt issued	0	77,520
Total other financing sources and uses	<u>\$ 4,420,214</u>	<u>\$ 3,209,735</u>
Net change in fund balances	<u>\$ (17,274)</u>	<u>\$ (71,413)</u>
Fund balances - beginning	453,949	107,164
Increase (decrease) in non-spendable	0	(927)
Fund balances - ending	<u><u>\$ 436,675</u></u>	<u><u>\$ 34,824</u></u>



*Capital Projects*

<i>General Government Facilities</i>	<i>Parks and Recreation Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Total</i>
\$ 0	\$ 0	\$ 0	\$ 67,281,676
0	0	0	10,687,138
0	181,653	0	875,862
0	0	0	7,130,652
0	0	0	2,167,204
3,597	1,432,317	19,303	4,098,652
<u>\$ 3,597</u>	<u>\$ 1,613,970</u>	<u>\$ 19,303</u>	<u>\$ 92,241,184</u>
\$ 0	\$ 0	\$ 0	\$ 7,022,822
0	0	0	21,002,666
0	0	0	11,594,673
0	0	0	3,979,950
0	0	0	5,708,077
0	0	0	4,652,857
0	0	0	21,834,193
0	0	0	8,748,173
10,667,213	4,701,187	37,526	15,405,926
0	0	0	16,046,796
0	0	0	5,014,998
<u>\$ 10,667,213</u>	<u>\$ 4,701,187</u>	<u>\$ 37,526</u>	<u>\$ 121,011,131</u>
<u>\$ (10,663,616)</u>	<u>\$ (3,087,217)</u>	<u>\$ (18,223)</u>	<u>\$ (28,769,947)</u>
\$ 0	\$ 0	\$ 0	\$ 16,451,216
(2,882,148)	(236,916)	(857,091)	(12,182,619)
0	55	0	26,920
0	0	0	17,415
25,072,480	0	0	27,150,000
<u>\$ 22,190,332</u>	<u>\$ (236,861)</u>	<u>\$ (857,091)</u>	<u>\$ 31,462,932</u>
\$ 11,526,716	\$ (3,324,078)	\$ (875,314)	\$ 2,692,985
3,400,988	11,394,365	5,461,915	91,395,344
0	0	0	(733,858)
<u>\$ 14,927,704</u>	<u>\$ 8,070,287</u>	<u>\$ 4,586,601</u>	<u>\$ 93,354,471</u>

BREVARD COUNTY, FLORIDA  
RECREATION SPECIAL DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 3,847,702	\$ 3,684,737	\$ (162,965)
Intergovernmental revenues	61,227	58,166	(3,061)
Charges for services	194,050	195,091	1,041
Miscellaneous revenues	320,343	273,374	(46,969)
Total revenues	<u>\$ 4,423,322</u>	<u>\$ 4,211,368</u>	<u>\$ (211,954)</u>
EXPENDITURES			
Current:			
Culture and recreation	<u>\$ 8,534,849</u>	<u>\$ 7,727,490</u>	<u>\$ 807,359</u>
Deficiency of revenues under expenditures	<u>\$ (4,111,527)</u>	<u>\$ (3,516,122)</u>	<u>\$ 595,405</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 3,394,328	\$ 3,404,213	\$ 9,885
Transfers out	(741,980)	(738,080)	3,900
Proceeds of the sale of capital assets	0	17,836	17,836
Insurance proceeds	0	11,913	11,913
Total other financing sources and uses	<u>\$ 2,652,348</u>	<u>\$ 2,695,882</u>	<u>\$ 43,534</u>
Net change in fund balances	<u>\$ (1,459,179)</u>	<u>\$ (820,240)</u>	<u>\$ 638,939</u>
Fund balances - beginning	2,275,750	2,275,750	0
Decrease in non-spendable	<u>0</u>	<u>(14,175)</u>	<u>(14,175)</u>
Fund balances - ending	<u>\$ 816,571</u>	<u>\$ 1,441,335</u>	<u>\$ 624,764</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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 15,408,455	\$ 14,801,671	\$ (606,784)
Permits, fees and special assessments	80,500	76,586	(3,914)
Fines and forfeits	517,163	615,774	98,611
Miscellaneous revenues	172,819	146,668	(26,151)
Total revenues	<u>\$ 16,178,937</u>	<u>\$ 15,640,699</u>	<u>\$ (538,238)</u>
EXPENDITURES			
Current:			
Culture and recreation	<u>\$ 15,069,634</u>	<u>\$ 13,391,196</u>	<u>\$ 1,678,438</u>
Excess of revenues over expenditures	<u>\$ 1,109,303</u>	<u>\$ 2,249,503</u>	<u>\$ 1,140,200</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 231,689	\$ 321,394	\$ 89,705
Transfers out	<u>(1,790,535)</u>	<u>(1,695,806)</u>	<u>94,729</u>
Total other financing sources and uses	<u>\$ (1,558,846)</u>	<u>\$ (1,374,412)</u>	<u>\$ 184,434</u>
Net change in fund balances	\$ (449,543)	\$ 875,091	\$ 1,324,634
Fund balances - beginning	4,180,824	4,180,824	0
Decrease in non-spendable	<u>0</u>	<u>(89,463)</u>	<u>(89,463)</u>
Fund balances - ending	<u><u>\$ 3,731,281</u></u>	<u><u>\$ 4,966,452</u></u>	<u><u>\$ 1,235,171</u></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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 5,521,800	\$ 5,319,726	\$ (202,074)
Charges for services	50,000	49,449	(551)
Miscellaneous revenues	30,000	24,764	(5,236)
Total revenues	<u>\$ 5,601,800</u>	<u>\$ 5,393,939</u>	<u>\$ (207,861)</u>
EXPENDITURES			
Current:			
Physical environment	\$ 338,147	\$ 284,411	\$ 53,736
Human services	5,892,691	4,652,857	1,239,834
Total expenditures	<u>\$ 6,230,838</u>	<u>\$ 4,937,268</u>	<u>\$ 1,293,570</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (629,038)</u>	<u>\$ 456,671</u>	<u>\$ 1,085,709</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 184,710	\$ 173,207	\$ (11,503)
Transfers out	(2,927,185)	(2,101,743)	825,442
Proceeds of the sale of capital assets	825,000	200	(824,800)
Insurance proceeds	0	5,502	5,502
Total other financing sources and uses	<u>\$ (1,917,475)</u>	<u>\$ (1,922,834)</u>	<u>\$ (5,359)</u>
Net change in fund balances	<u>\$ (2,546,513)</u>	<u>\$ (1,466,163)</u>	<u>\$ 1,080,350</u>
Fund balances - beginning	6,281,298	6,281,298	0
Decrease in non-spendable	<u>0</u>	<u>(616,239)</u>	<u>(616,239)</u>
Fund balances - ending	<u><u>\$ 3,734,785</u></u>	<u><u>\$ 4,198,896</u></u>	<u><u>\$ 464,111</u></u>

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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 4,135,402	\$ 3,975,409	\$ (159,993)
Miscellaneous revenues	48,512	19,608	(28,904)
Total revenues	<u>\$ 4,183,914</u>	<u>\$ 3,995,017</u>	<u>\$ (188,897)</u>
EXPENDITURES			
Current:			
Transportation	<u>\$ 7,911,963</u>	<u>\$ 3,979,950</u>	<u>\$ 3,932,013</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,728,049)</u>	<u>\$ 15,067</u>	<u>\$ 3,743,116</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 22,500	\$ 25,394	\$ 2,894
Transfers out	(159,121)	(149,036)	10,085
Proceeds of the sale of capital assets	<u>0</u>	<u>52</u>	<u>52</u>
Total other financing sources and uses	<u>\$ (136,621)</u>	<u>\$ (123,590)</u>	<u>\$ 13,031</u>
Net change in fund balances	<u>\$ (3,864,670)</u>	<u>\$ (108,523)</u>	<u>\$ 3,756,147</u>
Fund balances - beginning	5,111,875	5,111,875	0
Decrease in non-spendable	<u>0</u>	<u>(9,936)</u>	<u>(9,936)</u>
Fund balances - ending	<u><u>\$ 1,247,205</u></u>	<u><u>\$ 4,993,416</u></u>	<u><u>\$ 3,746,211</u></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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Permits, fees and special assessments	\$ 3,435,695	\$ 3,298,204	\$ (137,491)
Intergovernmental revenues	346,369	137,029	(209,340)
Charges for services	52,702	57,897	5,195
Miscellaneous revenues	874,581	627,169	(247,412)
Total revenues	<u>\$ 4,709,347</u>	<u>\$ 4,120,299</u>	<u>\$ (589,048)</u>
EXPENDITURES			
Current:			
Physical environment	\$ 11,260,674	\$ 5,716,430	\$ 5,544,244
Intergovernmental	931,337	68,423	862,914
Debt service:			
Interest	18,760	16,117	2,643
Total expenditures	<u>\$ 12,210,771</u>	<u>\$ 5,800,970</u>	<u>\$ 6,409,801</u>
Deficiency of revenues under expenditures	<u>\$ (7,501,424)</u>	<u>\$ (1,680,671)</u>	<u>\$ 5,820,753</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 695,084	\$ 195,084	\$ (500,000)
Transfers out	(262,007)	(254,505)	7,502
Proceeds of the sale of capital assets	0	72	72
Capital related debt issued	2,000,000	2,000,000	0
Total other financing sources and uses	<u>\$ 2,433,077</u>	<u>\$ 1,940,651</u>	<u>\$ (492,426)</u>
Net change in fund balances	\$ (5,068,347)	\$ 259,980	\$ 5,328,327
Fund balances - beginning	<u>7,947,309</u>	<u>7,947,309</u>	<u>0</u>
Fund balances - ending	<u>\$ 2,878,962</u>	<u>\$ 8,207,289</u>	<u>\$ 5,328,327</u>

BREVARD COUNTY, FLORIDA  
FINES AND COURT COSTS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 3,552,312	\$ 3,027,444	\$ (524,868)
Fines and forfeits	414,943	1,110,678	695,735
Miscellaneous revenues	1,350,513	776,612	(573,901)
Total revenues	<u>\$ 5,317,768</u>	<u>\$ 4,914,734</u>	<u>\$ (403,034)</u>
EXPENDITURES			
Current:			
General government	\$ 5,041,832	\$ 4,723,548	\$ 318,284
Public safety	2,893,588	1,713,088	1,180,500
Total expenditures	<u>\$ 7,935,420</u>	<u>\$ 6,436,636</u>	<u>\$ 1,498,784</u>
Deficiency of revenues under expenditures	<u>\$ (2,617,652)</u>	<u>\$ (1,521,902)</u>	<u>\$ 1,095,750</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 3,285,818	\$ 3,285,737	\$ (81)
Transfers out	(988,859)	(1,457,613)	(468,754)
Proceeds of the sale of capital assets	0	1,130	1,130
Total other financing sources and uses	<u>\$ 2,296,959</u>	<u>\$ 1,829,254</u>	<u>\$ (467,705)</u>
Net change in fund balances	\$ (320,693)	\$ 307,352	\$ 628,045
Fund balances - beginning	2,847,175	2,847,175	0
Increase in non-spendable	0	1,288	1,288
Fund balances - ending	<u><u>\$ 2,526,482</u></u>	<u><u>\$ 3,155,815</u></u>	<u><u>\$ 629,333</u></u>

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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 15,609,370	\$ 14,877,672	\$ (731,698)
Intergovernmental revenues	137,678	86,350	(51,328)
Charges for services	3,169,153	2,701,148	(468,005)
Miscellaneous revenues	24,074	138,537	114,463
Total revenues	<u>\$ 18,940,275</u>	<u>\$ 17,803,707</u>	<u>\$ (1,136,568)</u>
EXPENDITURES			
Current:			
Public safety	<u>\$ 19,514,966</u>	<u>\$ 17,423,925</u>	<u>\$ 2,091,041</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (574,691)</u>	<u>\$ 379,782</u>	<u>\$ 954,473</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 93,814	\$ 93,814
Transfers out	(858,272)	(553,538)	304,734
Proceeds of the sale of capital assets	10,000	6,640	(3,360)
Total other financing sources and uses	<u>\$ (848,272)</u>	<u>\$ (453,084)</u>	<u>\$ 395,188</u>
Net change in fund balances	\$ (1,422,963)	\$ (73,302)	\$ 1,349,661
Fund balances - beginning	<u>2,438,197</u>	<u>2,438,197</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 1,015,234</u></u>	<u><u>\$ 2,364,895</u></u>	<u><u>\$ 1,349,661</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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Permits, fees and special assessments	\$ 4,841,672	\$ 4,714,009	\$ (127,663)
Miscellaneous revenues	26,500	0	(26,500)
Total revenues	<u>\$ 4,868,172</u>	<u>\$ 4,714,009</u>	<u>\$ (154,163)</u>
EXPENDITURES			
Intergovernmental	<u>\$ 9,977,423</u>	<u>\$ 8,679,750</u>	<u>\$ 1,297,673</u>
Deficiency of revenues under expenditures	<u>\$ (5,109,251)</u>	<u>\$ (3,965,741)</u>	<u>\$ 1,143,510</u>
OTHER FINANCING USES			
Transfers out	<u>\$ (193,667)</u>	<u>\$ (191,305)</u>	<u>\$ 2,362</u>
Net change in fund balances	<u>\$ (5,302,918)</u>	<u>\$ (4,157,046)</u>	<u>\$ 1,145,872</u>
Fund balances - beginning	<u>9,889,449</u>	<u>9,889,449</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 4,586,531</u></u>	<u><u>\$ 5,732,403</u></u>	<u><u>\$ 1,145,872</u></u>

BREVARD COUNTY, FLORIDA  
TOURIST DEVELOPMENT TAX

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 7,725,690	\$ 9,887,226	\$ 2,161,536
Miscellaneous revenues	107,050	174,029	66,979
Total revenues	<u>\$ 7,832,740</u>	<u>\$ 10,061,255</u>	<u>\$ 2,228,515</u>
EXPENDITURES			
Current:			
Physical environment	\$ 7,090,750	\$ 3,526,718	\$ 3,564,032
Economic environment	5,969,129	4,937,447	1,031,682
Culture and recreation	6,630,082	715,507	5,914,575
Total expenditures	<u>\$ 19,689,961</u>	<u>\$ 9,179,672</u>	<u>\$ 10,510,289</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (11,857,221)</u>	<u>\$ 881,583</u>	<u>\$ 12,738,804</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers out	\$ (358,286)	\$ (408,557)	\$ (50,271)
Proceeds of the sale of capital assets	0	838	838
Total other financing sources and uses	<u>\$ (358,286)</u>	<u>\$ (407,719)</u>	<u>\$ (49,433)</u>
Net change in fund balances	\$ (12,215,507)	\$ 473,864	\$ 12,689,371
Fund balances - beginning	20,855,263	20,855,263	0
Decrease in non-spendable	0	(2,234)	(2,234)
Fund balances - ending	<u><u>\$ 8,639,756</u></u>	<u><u>\$ 21,326,893</u></u>	<u><u>\$ 12,687,137</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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 412,664	\$ 412,664	\$ 0
Miscellaneous revenues	133,056	176,494	43,438
Total revenues	<u>\$ 545,720</u>	<u>\$ 589,158</u>	<u>\$ 43,438</u>
EXPENDITURES			
Current:			
Economic environment	<u>\$ 1,635,259</u>	<u>\$ 770,630</u>	<u>\$ 864,629</u>
Deficiency of revenues under expenditures	<u>\$ (1,089,539)</u>	<u>\$ (181,472)</u>	<u>\$ 908,067</u>
OTHER FINANCING SOURCES			
Proceeds of the sale of capital assets	<u>\$ 0</u>	<u>\$ 81</u>	<u>\$ 81</u>
Net change in fund balances	<u>\$ (1,089,539)</u>	<u>\$ (181,391)</u>	<u>\$ 908,148</u>
Fund balances - beginning	<u>1,116,737</u>	<u>1,116,737</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 27,198</u></u>	<u><u>\$ 935,346</u></u>	<u><u>\$ 908,148</u></u>

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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 1,477,889	\$ 1,395,595	\$ (82,294)
Charges for services	0	744	744
Miscellaneous revenues	238,385	213,100	(25,285)
Total revenues	<u>\$ 1,716,274</u>	<u>\$ 1,609,439</u>	<u>\$ (106,835)</u>
EXPENDITURES			
Current:			
Physical environment	<u>\$ 2,812,758</u>	<u>\$ 2,067,114</u>	<u>\$ 745,644</u>
Deficiency of revenues under expenditures	<u>\$ (1,096,484)</u>	<u>\$ (457,675)</u>	<u>\$ 638,809</u>
OTHER FINANCING SOURCES			
Transfers in	\$ 445,635	\$ 857,091	\$ 411,456
Proceeds of the sale of capital assets	0	16	16
Total other financing sources	<u>\$ 445,635</u>	<u>\$ 857,107</u>	<u>\$ 411,472</u>
Net change in fund balances	\$ (650,849)	\$ 399,432	\$ 1,050,281
Fund balances - beginning	909,283	909,283	0
Decrease in non-spendable	0	(3,172)	(3,172)
Fund balances - ending	<u>\$ 258,434</u>	<u>\$ 1,305,543</u>	<u>\$ 1,047,109</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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 19,872	\$ 18,045	\$ (1,827)
Permits, fees and special assessments	1,995,766	2,597,229	601,463
Charges for services	1,700	2,250	550
Fines and forfeits	13,959	8,214	(5,745)
Miscellaneous revenues	23,852	23,711	(141)
Total revenues	<u>\$ 2,055,149</u>	<u>\$ 2,649,449</u>	<u>\$ 594,300</u>
EXPENDITURES			
Current:			
Public safety	<u>\$ 2,042,946</u>	<u>\$ 1,865,653</u>	<u>\$ 177,293</u>
Excess of revenues over expenditures	<u>\$ 12,203</u>	<u>\$ 783,796</u>	<u>\$ 771,593</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 10,590	\$ 20,590	\$ 10,000
Transfers out	<u>(24,958)</u>	<u>(24,958)</u>	<u>0</u>
Total other financing sources and uses	<u>\$ (14,368)</u>	<u>\$ (4,368)</u>	<u>\$ 10,000</u>
Net change in fund balances	\$ (2,165)	\$ 779,428	\$ 781,593
Fund balances - beginning	1,395,688	1,395,688	0
Increase in non-spendable	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Fund balances - ending	<u><u>\$ 1,393,523</u></u>	<u><u>\$ 2,176,116</u></u>	<u><u>\$ 782,593</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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 1,092,421	\$ 1,096,629	\$ 4,208
Fines and forfeits	520,400	432,538	(87,862)
Miscellaneous revenues	<u>0</u>	<u>1,214</u>	<u>1,214</u>
Total revenues	<u>\$ 1,612,821</u>	<u>\$ 1,530,381</u>	<u>\$ (82,440)</u>
EXPENDITURES			
Current:			
General government	<u>\$ 2,290,700</u>	<u>\$ 2,299,274</u>	<u>\$ (8,574)</u>
Net change in fund balances	\$ (677,879)	\$ (768,893)	\$ (91,014)
Fund balances - beginning	<u>904,750</u>	<u>904,750</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 226,871</u></u>	<u><u>\$ 135,857</u></u>	<u><u>\$ (91,014)</u></u>

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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 13,413,457	\$ 13,006,241	\$ (407,216)
Miscellaneous revenues	69,500	46,755	(22,745)
Total revenues	<u>\$ 13,482,957</u>	<u>\$ 13,052,996</u>	<u>\$ (429,961)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 9,180,000	\$ 9,180,000	\$ 0
Interest	4,885,293	3,829,177	1,056,116
Total expenditures	<u>\$ 14,065,293</u>	<u>\$ 13,009,177</u>	<u>\$ 1,056,116</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (582,336)</u>	<u>\$ 43,819</u>	<u>\$ 626,155</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 517,000	\$ 504,003	\$ (12,997)
Transfers out	(643,692)	(613,063)	30,629
Total other financing sources and uses	<u>\$ (126,692)</u>	<u>\$ (109,060)</u>	<u>\$ 17,632</u>
Net change in fund balances	<u>\$ (709,028)</u>	<u>\$ (65,241)</u>	<u>\$ 643,787</u>
Fund balances - beginning	<u>4,423,365</u>	<u>4,423,365</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 3,714,337</u></u>	<u><u>\$ 4,358,124</u></u>	<u><u>\$ 643,787</u></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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 327,104	\$ 315,354	\$ (11,750)
Miscellaneous revenues	3,400	1,186	(2,214)
Total revenues	<u>\$ 330,504</u>	<u>\$ 316,540</u>	<u>\$ (13,964)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 4,188,796	\$ 4,188,796	\$ 0
Interest	568,802	565,232	3,570
Total expenditures	<u>\$ 4,757,598</u>	<u>\$ 4,754,028</u>	<u>\$ 3,570</u>
Deficiency of revenues under expenditures	<u>\$ (4,427,094)</u>	<u>\$ (4,437,488)</u>	<u>\$ (10,394)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 4,438,535	\$ 4,438,474	\$ (61)
Transfers out	(22,200)	(18,260)	3,940
Total other financing sources and uses	<u>\$ 4,416,335</u>	<u>\$ 4,420,214</u>	<u>\$ 3,879</u>
Net change in fund balances	<u>\$ (10,759)</u>	<u>\$ (17,274)</u>	<u>\$ (6,515)</u>
Fund balances - beginning	<u>453,949</u>	<u>453,949</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 443,190</u></u>	<u><u>\$ 436,675</u></u>	<u><u>\$ (6,515)</u></u>



BREVARD COUNTY, FLORIDA

LOANS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Permits, fees and special assessments	\$ 30,481	\$ 1,110	\$ (29,371)
Miscellaneous revenues	179	214	35
Total revenues	<u>\$ 30,660</u>	<u>\$ 1,324</u>	<u>\$ (29,336)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 2,334,641	\$ 2,678,000	\$ (343,359)
Interest	835,006	604,472	230,534
Total expenditures	<u>\$ 3,169,647</u>	<u>\$ 3,282,472</u>	<u>\$ (112,825)</u>
Deficiency of revenues under expenditures	<u>\$ (3,138,987)</u>	<u>\$ (3,281,148)</u>	<u>\$ (142,161)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 2,767,699	\$ 3,132,215	\$ 364,516
Transfers out	(6,693)	0	6,693
Capital related debt issued	0	77,520	77,520
Total other financing sources and uses	<u>\$ 2,761,006</u>	<u>\$ 3,209,735</u>	<u>\$ 448,729</u>
Net change in fund balances	<u>\$ (377,981)</u>	<u>\$ (71,413)</u>	<u>\$ 306,568</u>
Fund balances - beginning	107,164	107,164	0
Decrease in non-spendable	0	(927)	(927)
Fund balances - ending	<u><u>\$ (270,817)</u></u>	<u><u>\$ 34,824</u></u>	<u><u>\$ 305,641</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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 7,600	\$ 3,597	\$ (4,003)
EXPENDITURES			
Capital outlay	\$ 24,692,023	\$ 10,667,213	\$ 14,024,810
Deficiency of revenues under expenditures	\$ (24,684,423)	\$ (10,663,616)	\$ 14,020,807
OTHER FINANCING SOURCES AND (USES)			
Transfers out	\$ (2,939,849)	\$ (2,882,148)	\$ 57,701
Capital related debt issued	25,078,871	25,072,480	(6,391)
Total other financing sources and uses	\$ 22,139,022	\$ 22,190,332	\$ 51,310
Net change in fund balances	\$ (2,545,401)	\$ 11,526,716	\$ 14,072,117
Fund balances - beginning	3,400,988	3,400,988	0
Fund balances - ending	\$ 855,587	\$ 14,927,704	\$ 14,072,117

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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 206,850	\$ 181,653	\$ (25,197)
Miscellaneous revenues	1,598,106	1,432,317	(165,789)
Total revenues	<u>\$ 1,804,956</u>	<u>\$ 1,613,970</u>	<u>\$ (190,986)</u>
EXPENDITURES			
Capital outlay	<u>\$ 9,320,522</u>	<u>\$ 4,701,187</u>	<u>\$ 4,619,335</u>
Deficiency of revenues under expenditures	<u>\$ (7,515,566)</u>	<u>\$ (3,087,217)</u>	<u>\$ 4,428,349</u>
OTHER FINANCING USES AND (USES)			
Transfers out	\$ (603,355)	\$ (236,916)	\$ 366,439
Proceeds of the sale of capital assets	<u>0</u>	<u>55</u>	<u>55</u>
Total other financing sources and uses	<u>\$ (603,355)</u>	<u>\$ (236,861)</u>	<u>\$ 366,494</u>
Net change in fund balances	<u>\$ (8,118,921)</u>	<u>\$ (3,324,078)</u>	<u>\$ 4,794,843</u>
Fund balances - beginning	<u>11,394,365</u>	<u>11,394,365</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 3,275,444</u></u>	<u><u>\$ 8,070,287</u></u>	<u><u>\$ 4,794,843</u></u>

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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	<u>\$ 38,236</u>	<u>\$ 19,303</u>	<u>\$ (18,933)</u>
EXPENDITURES			
Capital outlay	<u>\$ 2,648,471</u>	<u>\$ 37,526</u>	<u>\$ 2,610,945</u>
Deficiency of revenues under expenditures	<u>\$ (2,610,235)</u>	<u>\$ (18,223)</u>	<u>\$ 2,592,012</u>
OTHER FINANCING USES			
Transfers out	<u>\$ (445,635)</u>	<u>\$ (857,091)</u>	<u>\$ (411,456)</u>
Net change in fund balances	<u>\$ (3,055,870)</u>	<u>\$ (875,314)</u>	<u>\$ 2,180,556</u>
Fund balances - beginning	<u>5,461,915</u>	<u>5,461,915</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 2,406,045</u></u>	<u><u>\$ 4,586,601</u></u>	<u><u>\$ 2,180,556</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 POSITION  
NONMAJOR PROPRIETARY FUNDS  
SEPTEMBER 30, 2014

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 9,011,663	\$ 1,647
Accounts receivable (net of allowance for uncollectibles)	37,350	61,018
Accrued interest receivable	12,242	0
Prepaid items	0	17,917
Due from other governmental units	46,589	1,159,853
Inventories	0	0
Total current assets	<u>\$ 9,107,844</u>	<u>\$ 1,240,435</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 0	\$ 228,520
Buildings and structures	0	1,843,462
Improvements to land	0	0
Improvements other than buildings	0	195,275
Machinery and equipment	0	22,266,080
Construction in progress	0	427,824
Less accumulated depreciation	0	(14,734,648)
Total noncurrent assets	<u>\$ 0</u>	<u>\$ 10,226,513</u>
Total assets	<u>\$ 9,107,844</u>	<u>\$ 11,466,948</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge on refunding	<u>\$ 0</u>	<u>\$ 0</u>
<b>LIABILITIES</b>		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 987,197	\$ 649,501
Due to other funds	0	468,000
Due to other governmental units	72,060	175
Accrued interest payable	0	0
Accrued compensated absences	0	49,814
Revenue bonds	0	0
Total current liabilities (payable from current assets)	<u>\$ 1,059,257</u>	<u>\$ 1,167,490</u>
Noncurrent liabilities:		
Revenue bonds payable (net of unamortized discounts)	\$ 0	\$ 0
Notes payable	0	0
Accrued compensated absences	0	295,049
Other postemployment benefits	0	542,337
Total noncurrent liabilities	<u>\$ 0</u>	<u>\$ 837,386</u>
Total liabilities	<u>\$ 1,059,257</u>	<u>\$ 2,004,876</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 0	\$ 10,226,513
Unrestricted	8,048,587	(764,441)
Total net position	<u>\$ 8,048,587</u>	<u>\$ 9,462,072</u>

<i>Activities - Enterprise Funds</i>	
<i>Brevard County</i>	
<i>Golf</i>	
<i>Courses</i>	<i>Total</i>
<hr/>	<hr/>
\$ 787,173	\$ 9,800,483
10,148	108,516
1,071	13,313
0	17,917
274,731	1,481,173
73,028	73,028
<hr/>	<hr/>
\$ 1,146,151	\$ 11,494,430
\$ 1,943,379	\$ 2,171,899
2,961,155	4,804,617
8,684,880	8,684,880
131,718	326,993
906,469	23,172,549
0	427,824
(8,832,967)	(23,567,615)
<hr/>	<hr/>
\$ 5,794,634	\$ 16,021,147
<hr/>	<hr/>
\$ 6,940,785	\$ 27,515,577
<hr/>	<hr/>
\$ 15,198	\$ 15,198
\$ 69,460	\$ 1,706,158
0	468,000
6,119	78,354
27,526	27,526
13,790	63,604
826,565	826,565
<hr/>	<hr/>
\$ 943,460	\$ 3,170,207
\$ 2,122,723	\$ 2,122,723
828,000	828,000
68,086	363,135
60,254	602,591
<hr/>	<hr/>
\$ 3,079,063	\$ 3,916,449
<hr/>	<hr/>
\$ 4,022,523	\$ 7,086,656
\$ 2,032,544	\$ 12,259,057
900,916	8,185,062
<hr/>	<hr/>
\$ 2,933,460	\$ 20,444,119
<hr/>	<hr/>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
Operating revenues:		
Service fees	\$ 11,561,685	\$ 1,679,060
Less cost of goods sold	0	0
Total operating revenues	<u>\$ 11,561,685</u>	<u>\$ 1,679,060</u>
Operating expenses:		
Wages and benefits	\$ 0	\$ 5,138,582
Repair, maintenance, and other services	11,923,823	3,634,189
Materials and supplies	0	2,272,678
Depreciation	0	2,677,323
Total operating expenses	<u>\$ 11,923,823</u>	<u>\$ 13,722,772</u>
Operating income (loss)	<u>\$ (362,138)</u>	<u>\$ (12,043,712)</u>
Nonoperating revenues (expenses):		
Income on investments	\$ 60,476	\$ 831
Interest expense	0	0
Miscellaneous revenue	438,619	3,891
Grants and matching funds	0	7,921,582
Uncollectible grant revenue	0	0
Gain on disposal of capital assets	0	22,430
Total nonoperating revenue (expense)	<u>\$ 499,095</u>	<u>\$ 7,948,734</u>
Income (loss) before contributions and transfers	\$ 136,957	\$ (4,094,978)
Capital contributions	0	2,998,787
Transfers in	0	1,464,964
Transfers out	(259,356)	0
Change in net position	<u>\$ (122,399)</u>	<u>\$ 368,773</u>
Net position - beginning	<u>8,170,986</u>	<u>9,093,299</u>
Net position - ending	<u><u>\$ 8,048,587</u></u>	<u><u>\$ 9,462,072</u></u>



Activities - Enterprise Funds

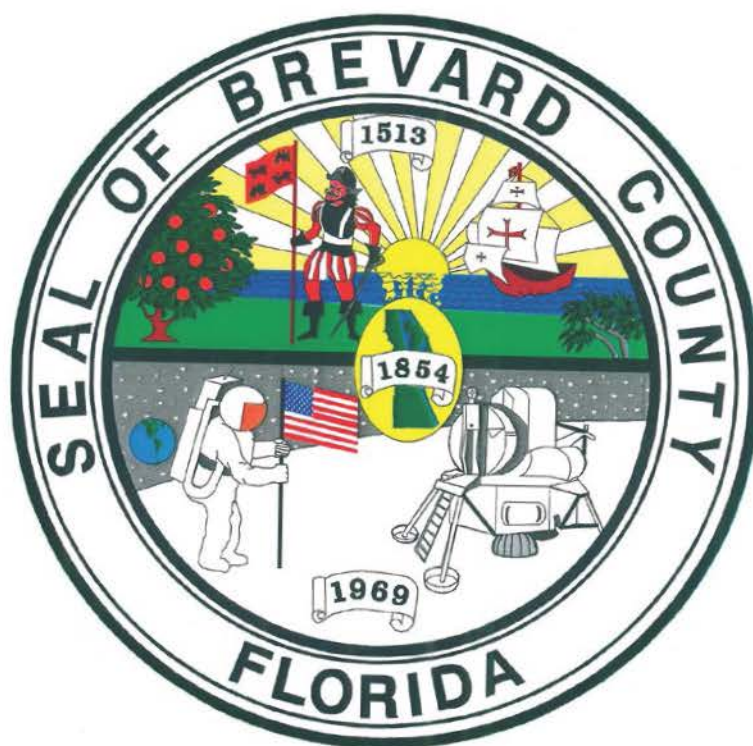
<u>Brevard County Golf Courses</u>	<u>Total</u>
\$ 2,540,750	\$ 15,781,495
(104,717)	(104,717)
<u>\$ 2,436,033</u>	<u>\$ 15,676,778</u>
\$ 453,505	\$ 5,592,087
2,068,210	17,626,222
19,734	2,292,412
484,117	3,161,440
<u>\$ 3,025,566</u>	<u>\$ 28,672,161</u>
<u>\$ (589,533)</u>	<u>\$ (12,995,383)</u>
\$ 4,945	\$ 66,252
(103,892)	(103,892)
528	443,038
0	7,921,582
(207,416)	(207,416)
356	22,786
<u>\$ (305,479)</u>	<u>\$ 8,142,350</u>
\$ (895,012)	\$ (4,853,033)
1,794	3,000,581
799,244	2,264,208
0	(259,356)
<u>\$ (93,974)</u>	<u>\$ 152,400</u>
<u>3,027,434</u>	<u>20,291,719</u>
<u><u>\$ 2,933,460</u></u>	<u><u>\$ 20,444,119</u></u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Nonmajor</i>
	<i>Solid Waste Collection Services</i>
Cash flows from operating activities:	
Cash receipts for service fees	\$ 11,562,887
Cash receipts from other sources	413,005
Cash payments to employees for services	0
Cash payments to suppliers for goods and services	(11,449,859)
Net cash from operating activities	<u>\$ 526,033</u>
Cash flows from noncapital financing activities:	
Grant receipts	\$ 0
Transfers in	0
Transfers out	(259,356)
Interfund loans	0
Net cash flows from noncapital financing activities	<u>\$ (259,356)</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 capital assets	0
Proceeds from disposal of capital assets	0
Net cash flows from capital and related financing activities	<u>\$ 0</u>
Cash flows from investing activities:	
Interest on investments	\$ 62,446
Net increase (decrease) in cash and cash equivalents	<u>\$ 329,123</u>
Cash and cash equivalents, October 1, 2013	8,682,540
Cash and cash equivalents, September 30, 2014	<u><u>\$ 9,011,663</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities	
Operating income (loss)	<u>\$ (362,138)</u>
Adjustments to reconcile operating income (loss) to net cash from operating activities:	
Depreciation expense	\$ 0
Miscellaneous revenue	438,619
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(26,255)
(Increase) decrease in due from other governmental units	0
(Increase) decrease in inventories	0
(Increase) decrease in allowance for uncollectible accounts	2,206
(Increase) decrease in prepaid items	0
Increase (decrease) in accrued compensated absences	0
Increase (decrease) in other postemployment benefits	0
Increase (decrease) in vouchers and contracts payable	473,601
Increase (decrease) in due to other governmental units	0
Total adjustment	<u>\$ 888,171</u>
Net cash from operating activities	<u><u>\$ 526,033</u></u>
Capital contributed by developers, individuals, and governmental entities	<u><u>\$ 0</u></u>

Business-type Activities - Enterprise Funds

<u>Space Coast Area Transit</u>	<u>Brevard County Golf Courses</u>	<u>Total</u>
\$ 1,628,291	\$ 2,546,362	\$ 15,737,540
3,891	0	416,896
(5,220,373)	(462,281)	(5,682,654)
(5,779,354)	(2,177,684)	(19,406,897)
<u>\$ (9,367,545)</u>	<u>\$ (93,603)</u>	<u>\$ (8,935,115)</u>
\$ 7,647,392	\$ 0	\$ 7,647,392
1,464,964	799,244	2,264,208
0	0	(259,356)
417,000	0	417,000
<u>\$ 9,529,356</u>	<u>\$ 799,244</u>	<u>\$ 10,069,244</u>
\$ 0	\$ (917,204)	\$ (917,204)
0	(92,741)	(92,741)
2,998,787	0	2,998,787
(3,184,021)	(548,961)	(3,732,982)
23,794	356	24,150
<u>\$ (161,440)</u>	<u>\$ (1,558,550)</u>	<u>\$ (1,719,990)</u>
\$ 964	\$ 5,095	\$ 68,505
\$ 1,335	\$ (847,814)	\$ (517,356)
312	1,634,987	10,317,839
<u>\$ 1,647</u>	<u>\$ 787,173</u>	<u>\$ 9,800,483</u>
<u>\$ (12,043,712)</u>	<u>\$ (589,533)</u>	<u>\$ (12,995,383)</u>
\$ 2,677,323	\$ 484,117	\$ 3,161,440
3,891	528	443,038
(39,087)	(1,482)	(66,824)
(22,540)	0	(22,540)
0	(2,344)	(2,344)
0	0	2,206
(17,917)	0	(17,917)
(20,559)	(2,121)	(22,680)
(52,556)	(2,398)	(54,954)
147,612	19,748	640,961
0	(118)	(118)
<u>\$ 2,676,167</u>	<u>\$ 495,930</u>	<u>\$ 4,060,268</u>
<u>\$ (9,367,545)</u>	<u>\$ (93,603)</u>	<u>\$ (8,935,115)</u>
<u>\$ 0</u>	<u>\$ 1,794</u>	<u>\$ 1,794</u>



## Internal Service Funds

Information Systems Fund - to account for service charge revenues and expenses associated with telecommunications support, computer system management and security, and software development support and services to 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 POSITION  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2014

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
<b>ASSETS</b>			
Current assets:			
Cash	\$ 683,945	\$ 42,434,460	\$ 43,118,405
Cash with escrow and paying agent	0	1,225,085	1,225,085
Accounts receivable	14,911	260,016	274,927
Accrued interest receivable	872	50,824	51,696
Due from other funds	0	1,326,885	1,326,885
Due from component units	0	209,958	209,958
Due from other governmental units	0	9,914	9,914
Prepaid items	313,631	1,122,460	1,436,091
Total current assets	<u>\$ 1,013,359</u>	<u>\$ 46,639,602</u>	<u>\$ 47,652,961</u>
Noncurrent assets:			
Capital assets:			
Machinery and equipment	\$ 7,274,113	\$ 99,688	\$ 7,373,801
Less accumulated depreciation	<u>(5,505,675)</u>	<u>(65,483)</u>	<u>(5,571,158)</u>
Total noncurrent assets	<u>\$ 1,768,438</u>	<u>\$ 34,205</u>	<u>\$ 1,802,643</u>
Total assets	<u>\$ 2,781,797</u>	<u>\$ 46,673,807</u>	<u>\$ 49,455,604</u>
<b>LIABILITIES</b>			
Current liabilities:			
Vouchers and contracts payable	\$ 25,849	\$ 1,095,247	\$ 1,121,096
Unearned revenue	0	484,913	484,913
Claims payable	0	9,209,403	9,209,403
Accrued interest payable	7,660	0	7,660
Accrued compensated absences	49,825	12,777	62,602
Leases payable	123,839	0	123,839
Total current liabilities	<u>\$ 207,173</u>	<u>\$ 10,802,340</u>	<u>\$ 11,009,513</u>
Noncurrent liabilities:			
Claims payable	\$ 0	\$ 7,938,843	\$ 7,938,843
Leases payable	127,611	0	127,611
Accrued compensated absences	108,997	174,724	283,721
Other postemployment benefits	186,900	98,066	284,966
Total noncurrent liabilities	<u>\$ 423,508</u>	<u>\$ 8,211,633</u>	<u>\$ 8,635,141</u>
Total liabilities	<u>\$ 630,681</u>	<u>\$ 19,013,973</u>	<u>\$ 19,644,654</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 1,516,988	\$ 34,205	\$ 1,551,193
Unrestricted	634,128	27,625,629	28,259,757
Total net position	<u>\$ 2,151,116</u>	<u>\$ 27,659,834</u>	<u>\$ 29,810,950</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
Operating revenues:			
Service fees	\$ 3,741,376	\$ 56,427,483	\$ 60,168,859
Operating expenses:			
Wages and benefits	\$ 2,724,542	\$ 1,142,071	\$ 3,866,613
Repair, maintenance, and other services	2,806,089	7,106,659	9,912,748
Materials and supplies	73,361	24,548	97,909
Depreciation	515,748	10,463	526,211
Insurance claims expense	0	55,456,389	55,456,389
Total operating expenses	\$ 6,119,740	\$ 63,740,130	\$ 69,859,870
Operating income (loss)	\$ (2,378,364)	\$ (7,312,647)	\$ (9,691,011)
Nonoperating revenues (expenses):			
Income on investments	\$ (222)	\$ 125,080	\$ 124,858
Miscellaneous revenue	113,913	1,524,470	1,638,383
Gain (loss) on disposal of capital assets	(3,718)	0	(3,718)
Interest expense	(18,982)	0	(18,982)
Total nonoperating revenues (expenses)	\$ 90,991	\$ 1,649,550	\$ 1,740,541
Income (loss) before contributions and transfers	\$ (2,287,373)	\$ (5,663,097)	\$ (7,950,470)
Capital contributions	2,770	0	2,770
Transfers in	1,783,806	0	1,783,806
Change in net position	\$ (500,797)	\$ (5,663,097)	\$ (6,163,894)
Net position - beginning	2,651,913	33,322,931	35,974,844
Net position - ending	\$ 2,151,116	\$ 27,659,834	\$ 29,810,950

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
Cash flows from operating activities:			
Cash receipts for service fees	\$ 3,774,069	\$ 56,888,106	\$ 60,662,175
Cash receipts from other sources	102,113	1,403,140	1,505,253
Cash payments to employees for services	(2,785,972)	(1,125,975)	(3,911,947)
Cash payments to suppliers for goods and services	(2,958,225)	(7,031,583)	(9,989,808)
Cash payments for insurance claims	0	(54,619,038)	(54,619,038)
Net cash from operating activities	<u>\$ (1,868,015)</u>	<u>\$ (4,485,350)</u>	<u>\$ (6,353,365)</u>
Cash flows from noncapital financing activities:			
Transfers in	\$ 1,783,806	\$ 0	\$ 1,783,806
Loans to component units	0	(166,046)	(166,046)
Net cash flows from noncapital financing activities	<u>\$ 1,783,806</u>	<u>\$ (166,046)</u>	<u>\$ 1,617,760</u>
Cash flows from capital and related financing activities:			
Payments to acquire, construct, or improve capital assets	\$ (473,758)	\$ 0	\$ (473,758)
Proceeds from disposal of capital assets	387	0	387
Net cash flows from capital and related financing activities	<u>\$ (473,371)</u>	<u>\$ 0</u>	<u>\$ (473,371)</u>
Cash flows from investing activities:			
Interest on investments	\$ 1,006	\$ 144,085	\$ 145,091
Net increase (decrease) in cash and cash equivalents	<u>\$ (556,574)</u>	<u>\$ (4,507,311)</u>	<u>\$ (5,063,885)</u>
Cash and cash equivalents, October 1, 2013	<u>1,240,519</u>	<u>48,166,856</u>	<u>49,407,375</u>
Cash and cash equivalents, September 30, 2014	<u>\$ 683,945</u>	<u>\$ 43,659,545</u>	<u>\$ 44,343,490</u>
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	<u>\$ (2,378,364)</u>	<u>\$ (7,312,647)</u>	<u>\$ (9,691,011)</u>
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation expense	\$ 515,748	\$ 10,463	\$ 526,211
Miscellaneous revenues	113,913	1,524,470	1,638,383
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	20,894	(117,254)	(96,360)
(Increase) decrease in due from other funds	0	(212,536)	(212,536)
(Increase) decrease in prepaid items	(75,533)	252,024	176,491
Increase (decrease) in accrued compensated absences	(13,927)	33,847	19,920
Increase (decrease) in other postemployment benefits	(20,543)	(7,821)	(28,364)
Increase (decrease) vouchers and contracts payable	(30,203)	426,762	396,559
Increase (decrease) in claims payable	0	432,429	432,429
Increase (decrease) in unearned revenue	0	484,913	484,913
Total adjustments	<u>\$ 510,349</u>	<u>\$ 2,827,297</u>	<u>\$ 3,337,646</u>
Net cash from operating activities	<u>\$ (1,868,015)</u>	<u>\$ (4,485,350)</u>	<u>\$ (6,353,365)</u>
Non-cash investing, capital, and financing activities:			
Capital contributed by developers, individuals, and governmental entities	<u>\$ 2,770</u>	<u>\$ 0</u>	<u>\$ 2,770</u>



## Agency Funds

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

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

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

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

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2014

	<i>Board Agency Funds</i>	<i>Sheriff Agency Funds</i>
ASSETS		
Cash	\$ 554,263	\$ 43,067
Accounts receivable	0	0
Accrued interest receivable	659	0
Due from other funds	0	1,992
Due from other governmental units	0	0
Total assets	<u>\$ 554,922</u>	<u>\$ 45,059</u>
LIABILITIES		
Due to employees, individuals, and others	\$ 87,889	\$ 45,059
Due to other governmental units	3,640	0
Escrow and refundable deposits	463,393	0
Total liabilities	<u>\$ 554,922</u>	<u>\$ 45,059</u>

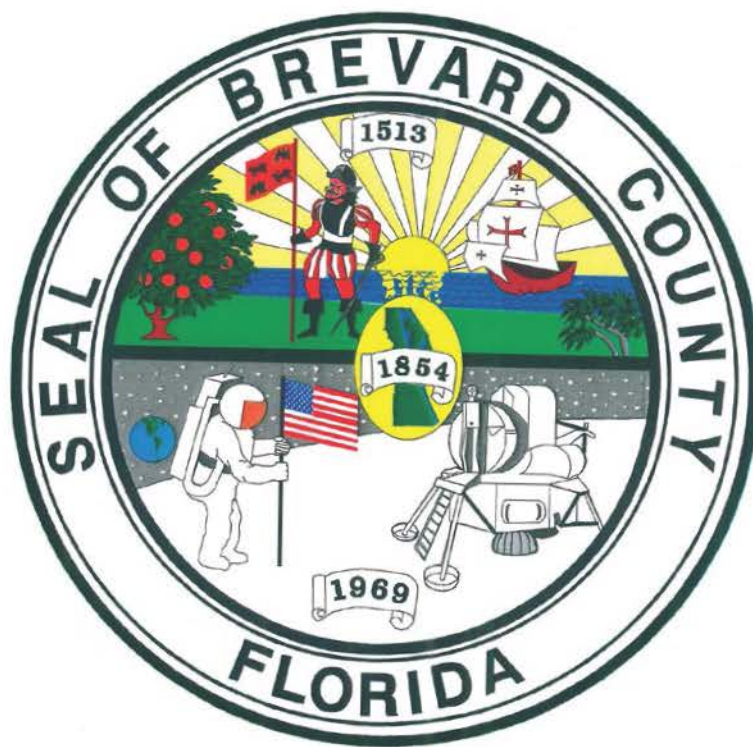
<i>Clerk Agency Funds</i>	<i>Tax Collector Agency Funds</i>	<i>Total</i>
<u>\$ 17,114,614</u>	<u>\$ 8,707,950</u>	<u>\$ 26,419,894</u>
214,521	306,619	521,140
0	0	659
0	0	1,992
0	3,305	3,305
<u>\$ 17,329,135</u>	<u>\$ 9,017,874</u>	<u>\$ 26,946,990</u>
<u>\$ 925,831</u>	<u>\$ 7,294,352</u>	<u>\$ 8,353,131</u>
1,445,491	1,723,522	3,172,653
14,957,813	0	15,421,206
<u>\$ 17,329,135</u>	<u>\$ 9,017,874</u>	<u>\$ 26,946,990</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Balance Oct. 1, 2013</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance Sept. 30, 2014</i>
<u>Board Agency</u>				
ASSETS:				
Cash	\$ 447,587	\$ 232,061	\$ 125,385	\$ 554,263
Accrued interest receivable	660	659	660	659
TOTAL ASSETS	<u>\$ 448,247</u>	<u>\$ 232,720</u>	<u>\$ 126,045</u>	<u>\$ 554,922</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 90,094	\$ 1,292	\$ 3,497	\$ 87,889
Due to other governmental units	6,722	8,290	11,372	3,640
Escrow and refundable deposits	351,431	231,569	119,607	463,393
TOTAL LIABILITIES	<u>\$ 448,247</u>	<u>\$ 241,151</u>	<u>\$ 134,476</u>	<u>\$ 554,922</u>
<u>Sheriff Agency</u>				
ASSETS:				
Cash	\$ 38,451	\$ 1,857,479	\$ 1,852,863	\$ 43,067
Due from other funds	0	1,992	0	1,992
TOTAL ASSETS	<u>\$ 38,451</u>	<u>\$ 1,859,471</u>	<u>\$ 1,852,863</u>	<u>\$ 45,059</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 38,451	\$ 2,012,799	\$ 2,006,191	\$ 45,059
Due to other governmental units	0	79,112	79,112	0
TOTAL LIABILITIES	<u>\$ 38,451</u>	<u>\$ 2,091,911</u>	<u>\$ 2,085,303</u>	<u>\$ 45,059</u>
<u>Clerk Agency</u>				
ASSETS:				
Cash	\$ 19,010,639	\$ 161,035,510	\$ 162,931,535	\$ 17,114,614
Accounts receivable	68,018	40,581,199	40,434,696	214,521
Due from other governmental units	120,504	0	120,504	0
TOTAL ASSETS	<u>\$ 19,199,161</u>	<u>\$ 201,616,709</u>	<u>\$ 203,486,735</u>	<u>\$ 17,329,135</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 983,716	\$ 69,620,148	\$ 69,678,033	\$ 925,831
Due to other governmental units	1,752,739	59,077,115	59,384,363	1,445,491
Escrow and refundable deposits	16,462,706	72,798,942	74,303,835	14,957,813
TOTAL LIABILITIES	<u>\$ 19,199,161</u>	<u>\$ 201,496,205</u>	<u>\$ 203,366,231</u>	<u>\$ 17,329,135</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Balance</i> <i>Oct. 1, 2013</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance</i> <i>Sept. 30, 2014</i>
<u>Tax Collector Agency</u>				
ASSETS:				
Cash	\$ 9,085,056	\$ 680,692,437	\$ 681,069,543	\$ 8,707,950
Accounts receivable	439,814	50,886	184,081	306,619
Due from other governmental units	11,455	3,331	11,481	3,305
TOTAL ASSETS	<u>\$ 9,536,325</u>	<u>\$ 680,746,654</u>	<u>\$ 681,265,105</u>	<u>\$ 9,017,874</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 7,303,264	\$ 27,907,311	\$ 27,916,223	\$ 7,294,352
Due to other governmental units	2,233,061	652,839,344	653,348,883	1,723,522
TOTAL LIABILITIES	<u>\$ 9,536,325</u>	<u>\$ 680,746,655</u>	<u>\$ 681,265,106</u>	<u>\$ 9,017,874</u>
<u>TOTAL - ALL FIDUCIARY FUNDS</u>				
ASSETS:				
Cash	\$ 28,581,733	\$ 843,817,487	\$ 845,979,326	\$ 26,419,894
Accounts receivable	507,832	40,632,085	40,618,777	521,140
Accrued interest receivable	660	659	660	659
Due from other funds	0	1,992	0	1,992
Due from other governmental units	131,959	3,331	131,985	3,305
TOTAL ASSETS	<u>\$ 29,222,184</u>	<u>\$ 884,455,554</u>	<u>\$ 886,730,748</u>	<u>\$ 26,946,990</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 8,415,525	\$ 99,541,550	\$ 99,603,944	\$ 8,353,131
Due to other governmental units	3,992,522	712,003,861	712,823,730	3,172,653
Escrow and refundable deposits	16,814,137	73,030,511	74,423,442	15,421,206
TOTAL LIABILITIES	<u>\$ 29,222,184</u>	<u>\$ 884,575,922</u>	<u>\$ 886,851,116</u>	<u>\$ 26,946,990</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.

North Brevard Economic Development Zone - to account for incremental taxes and expenses associated with economic development for areas north of State Road 528 in Brevard County District 1. The Economic Development Zone 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.

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 POSITION  
COMPONENT UNITS  
SEPTEMBER 30, 2014

	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 7,709	\$ 1,268,608
Investments	0	0
Receivables:		
Receivables (net of allowance for uncollectibles)	0	0
Accrued interest receivable	0	1,518
Due from other governmental units	0	0
Prepaid items	0	0
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
Construction in progress	0	0
Less accumulated depreciation	0	0
Total assets	<u>\$ 7,709</u>	<u>\$ 1,270,126</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 0	\$ 3,939
Accrued liabilities	0	0
Customer deposits	0	0
Due to primary government	0	0
Unearned revenue	0	0
Noncurrent liabilities:		
Due within one year:		
Accrued compensated absences	0	0
Notes payable	0	0
Due in more than one year:		
Other postemployment benefits	0	0
Notes payable	0	0
Total liabilities	<u>\$ 0</u>	<u>\$ 3,939</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 0	\$ 0
Restricted for Housing	0	0
Unrestricted	7,709	1,266,187
Total net position	<u><u>\$ 7,709</u></u>	<u><u>\$ 1,266,187</u></u>

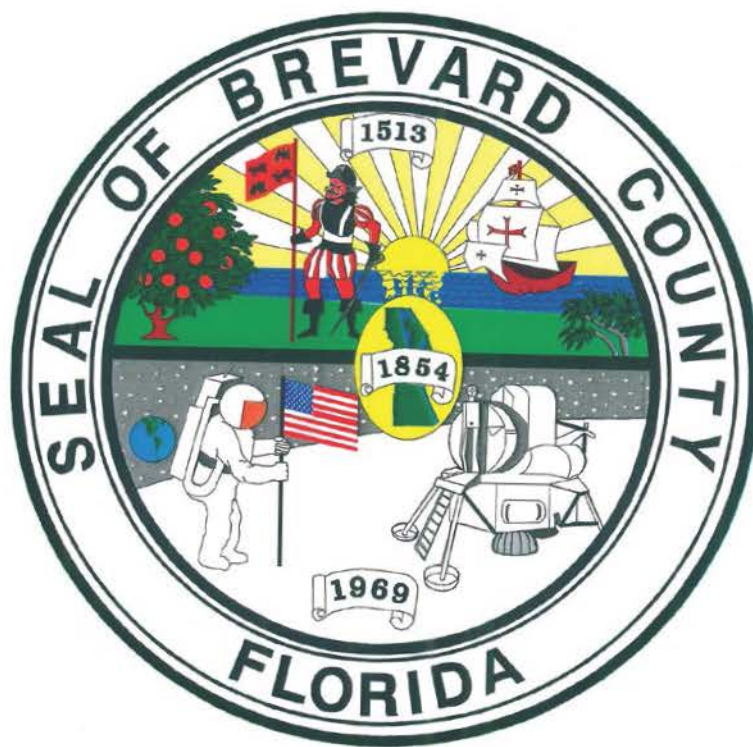


<i>North Brevard Economic Development Zone</i>	<i>Titusville- Cocoa Airport Authority</i>	<i>Housing Finance Authority</i>	<i>Total</i>
\$ 68,529 0	\$ 1,547,753 0	\$ 5,522,207 927,844	\$ 8,414,806 927,844
0	31,543	679,509	711,052
83	0	0	1,601
0	541,506	0	541,506
0	9,409	0	9,409
0	14,204,818	0	14,204,818
0	22,080,654	0	22,080,654
0	1,614,241	0	1,614,241
0	23,068,513	0	23,068,513
0	3,720,690	0	3,720,690
0	10,026,899	0	10,026,899
0	(20,407,147)	0	(20,407,147)
<u>\$ 68,612</u>	<u>\$ 56,438,879</u>	<u>\$ 7,129,560</u>	<u>\$ 64,914,886</u>
\$ 10,314 0 0 209,958 0	\$ 675,825 155,219 215,296 0 0	\$ 19,245 0 0 0 37,865	\$ 709,323 155,219 215,296 209,958 37,865
0	115,303	0	115,303
0	200,506	0	200,506
0	124,631	0	124,631
0	633,836	0	633,836
<u>\$ 220,272</u>	<u>\$ 2,120,616</u>	<u>\$ 57,110</u>	<u>\$ 2,401,937</u>
\$ 0 0 (151,660)	\$ 53,474,326 0 843,937	\$ 0 47,000 7,025,450	\$ 53,474,326 47,000 8,991,623
<u>\$ (151,660)</u>	<u>\$ 54,318,263</u>	<u>\$ 7,072,450</u>	<u>\$ 62,512,949</u>

BREVARD COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Functions/</i>	
	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
Expenses	\$ 2,017	\$ 1,862,191
Program revenues:		
Charges for services	\$ 2,694	\$ 0
Operating grants and contributions	0	390,410
Capital grants and contributions	0	0
Total program revenues	\$ 2,694	\$ 390,410
Net program revenue (expenses)	\$ 677	\$ (1,471,781)
General revenues:		
Taxes:		
Other	\$ 0	\$ 832,854
Interest income	0	1,923
Total general revenues	\$ 0	\$ 834,777
Changes in net position	\$ 677	\$ (637,004)
Net position - beginning	7,032	1,903,191
Net position - ending	\$ 7,709	\$ 1,266,187

<i>North Brevard Economic Development Zone</i>	<i>Programs Titusville- Cocoa Airport Authority</i>	<i>Housing Finance Authority</i>	<i>Total</i>
<u>\$ 170,596</u>	<u>\$ 3,344,184</u>	<u>\$ 126,142</u>	<u>\$ 5,505,130</u>
<u>\$ 0</u>	<u>\$ 2,100,902</u>	<u>\$ 160,245</u>	<u>\$ 2,263,841</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>390,410</u>
<u>0</u>	<u>7,185,954</u>	<u>0</u>	<u>7,185,954</u>
<u>\$ 0</u>	<u>\$ 9,286,856</u>	<u>\$ 160,245</u>	<u>\$ 9,840,205</u>
<u>\$ (170,596)</u>	<u>\$ 5,942,672</u>	<u>\$ 34,103</u>	<u>\$ 4,335,075</u>
<u>\$ 62,603</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 895,457</u>
<u>245</u>	<u>46</u>	<u>71,258</u>	<u>73,472</u>
<u>\$ 62,848</u>	<u>\$ 46</u>	<u>\$ 71,258</u>	<u>\$ 968,929</u>
<u>\$ (107,748)</u>	<u>\$ 5,942,718</u>	<u>\$ 105,361</u>	<u>\$ 5,304,004</u>
<u>(43,912)</u>	<u>48,375,545</u>	<u>6,967,089</u>	<u>57,208,945</u>
<u>\$ (151,660)</u>	<u>\$ 54,318,263</u>	<u>\$ 7,072,450</u>	<u>\$ 62,512,949</u>



BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2014

TABLE 1  
1 OF 6

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2014

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA Number</i>	<i>Federal Expenditures</i>
<b>PRIMARY GOVERNMENT</b>			
<b>DEPARTMENT OF AGRICULTURE:</b>			
Passed through the Florida Department of Agriculture & Consumer Services Community/School Garden Grant	019793	10.170	\$ 563
Summer Food Service Program	04-00614	10.559	\$ 122,282
Passed through the Florida Department of Education School Breakfast/Lunch Program	01-0221	10.555	\$ 2,446
Total Department of Agriculture			\$ 125,291
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>			
Community Development Block Grant (CDBG)	B-14-UC-12-0011	14.218	\$ 1,364,861
Community Planning and Development Neighborhood Stabilization (NSP 3)	B-11-UN-12-0001	14.218	\$ 981,804
			\$ 2,346,665
Passed through the Department of Economic Opportunity Disaster Recovery Enhancement Fund (DREF)	12DB-P5-06-15-01-K42	14.228	\$ 771,491
Disaster Recovery CDBG-T.S. Fay	10DB-K4-06-15-01-K04	14.228	\$ 244,713
			\$ 1,016,204
HOME Investment Partnership Program	M14-DC-12-0200	14.239	\$ 842,980
Total Department of Housing and Urban Development			\$ 4,205,849
<b>DEPARTMENT OF THE INTERIOR:</b>			
Passed through Florida Department of Environmental Protection Clean Vessel Act	MV112	15.616	\$ 37,444
<b>DEPARTMENT OF JUSTICE:</b>			
Safe Havens Grant	2010-CW-AX-K026	16.013	\$ 14,448
Passed through the Florida Office of the Attorney General VOCA	V13145	16.575	\$ 112,991
Passed through the Florida Department of Law Enforcement Justice Assistance Grant Program FY 2012	2012-DJ-BX-0040	16.738	\$ 19,276
Justice Assistance Grant Program FY 2013	2013-DJ-BX-0239	16.738	\$ 67,074
Prisoner Transportation/Booking System Improvement	2014-JAGC-BREV-1-E5-135	16.738	\$ 167,642
			\$ 253,992
MECOM Historical Records	2014-NICS-BREV-1-D3-023	16.813	\$ 6,400
Total Department of Justice			\$ 387,831
<b>DEPARTMENT OF TRANSPORTATION:</b>			
Federal Aviation Administration Runway 10/28 Rehabilitation	3-12-0144-006-2013	20.106	\$ 1,764,235
Federal Highway Administration Passed through the Florida Department of Transportation St Johns Heritage Parkway	AQF56	20.205	\$ 2,503,709
N Banana River Dr @Martin Intersection Improvements	AR714	20.205	\$ 48,010
St Johns Heritage Parkway & Ellis 4 Lanes	AR235	20.205	\$ 57
Countywide Intelligent Transportation System	AQC02	20.205	\$ 144,569
Total Federal Highway Administration			\$ 2,696,345
Federal Transit Administration FL90-X644-00	FTA G-14	20.507	\$ 130,499
FL90-X698-00	FTA G-15	20.507	\$ 86,120
FL90-X670-00	FTA G-14	20.507	\$ 290,337
FL90-X725-00	FTA G-16	20.507	\$ 94,059
FL90-X762-00	FTA G-18	20.507	\$ 1,137,515
FL90-X791-00	FTA G-18	20.507	\$ 2,501,074
FL90-X819-00	FTA G-19	20.507	\$ 243,688
FL90-X820-00	FTA G-20	20.507	\$ 2,355,573
			\$ 6,838,865

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2014

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA Number</i>	<i>Federal Expenditures</i>
<b>DEPARTMENT OF TRANSPORTATION (CONT):</b>			
Federal Transit Administration (cont.)			
FL-37-X074-00 JARC	FTA G-18	20.516	\$ 48,444
FL-57-X049 New Freedom	FTA G-19	20.521	\$ 152,490
Total Federal Transit Administration			\$ 7,039,799
Total Department of Transportation			\$ 11,500,379
<b>DEPARTMENT OF THE TREASURY:</b>			
Federal Asset Sharing	FL0050000	21.000	\$ 644,559
<b>GENERAL SERVICES ADMINISTRATION:</b>			
Passed through the Florida Bureau of Federal Property Assistance			
Federal Surplus Property Donation Program		39.003	\$ 5,338,785
<b>ENVIRONMENTAL PROTECTION AGENCY:</b>			
Barefoot Bay Water Treatment Plant Improvements	XP-OD08213-0	66.202	\$ 76,967
Passed through the Florida Department of Environmental Protection			
Pine Island Stormwater Improvement Project, Phase 2	G0344	66.460	\$ 800,000
Fleming Grant Road Detention Pond	G0390	66.460	145,776
			\$ 945,776
Total Environmental Protection Agency			\$ 1,022,743
<b>DEPARTMENT OF ENERGY:</b>			
Passed through the Florida Department of Economic Opportunity			
Weatherization Assistance Program	13WX-0G-06-15-01-004	81.042	\$ 254,433
<b>U. S. ELECTION ASSISTANCE COMMISSION:</b>			
Passed through the Florida Department of State			
Federal Election Activities	FY2011-2012 Award	90.401	\$ 346
Federal Election Activities	FY2012-2013 Award	90.401	96,469
Total U.S. Election Assistance Commission			\$ 96,815
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>			
Substance Abuse and Mental Health Services Admin			
Juvenile Drug Court Expansion of Substance Abuse Treatment (ESAT)	5H79TI023037-03	93.243	\$ 93,254
Adult Drug Court	5H79TI024200-02	93.243	287,246
Juvenile Drug Court Expansion of Substance Abuse Treatment (ESAT)	1H79TI025039-01	93.243	228,543
			\$ 609,043
Passed through the Florida Department of Revenue			
Child Support Enforcement	COC05	93.563	\$ 454,321
Service of Process	CSP05	93.563	39,113
			\$ 493,434
Passed through the Florida Department of Economic Opportunity			
Low Income Energy Assistance (LIHEAP)	13EA-0F-06-15-01-003	93.568	\$ 818,563
Low Income Energy Assistance (LIHEAP)	14EA-0F-06-15-01-003	93.568	871,008
Weatherization Assistance Program	13WX-0G-06-15-01-004	93.568	132,981
Weatherization Assistance Program	14WX-0G-06-15-01-004	93.568	59,389
			\$ 1,881,941
Community Action Agency (CSBG)	14SB-0D-06-15-01-0002	93.569	\$ 248,444
Passed through the Florida Department of Children and Families			
Foster Care Title IVE (CBC)	RGC1104	93.658	\$ 51,127
Foster Care Waiver Title IVE	YGJ01	93.658	89,934
			\$ 141,061
Social Services Block Grant	RGC1104	93.667	\$ 24,452
Passed through the Florida Department of State			
Division of Elections			
FY 2009 HHS VOTE Program Grant	2013-2014-0003	93.617	\$ 28,513
Total Department of Health and Human Services			\$ 3,426,888

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2014

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA Number</i>	<i>Federal Expenditures</i>
<b>EXECUTIVE OFFICE OF THE PRESIDENT:</b>			
High Intensity Drug Trafficking Areas Program	HIDTA-G12CF0013A	95.001	\$ 47,975
High Intensity Drug Trafficking Areas Program	HIDTA-G13CF0013A	95.001	49,420
High Intensity Drug Trafficking Areas Program	HIDTA-G14CF0013A	95.001	66,165
Total Executive Office of The President			<u>\$ 163,560</u>
<b>DEPARTMENT OF HOMELAND SECURITY:</b>			
Passed through the Florida Division of Emergency Management			
Brevard County, Storm Water Utility, Crane Creek St. Johns Outfall, Drainage Ph	12HM-2Y-06-15-01-003	97.039	\$ 357,303
Emergency Management Preparedness and Assistance Grant (SLA)	14-FG-1M-06-15-01-072	97.042	\$ 120,389
Emergency Management Preparedness and Assistance Grant (SLA)	15-FG-4D-06-15-01-072	97.042	36,439
			<u>\$ 156,828</u>
FEMA Assistance to Fire Fighters Grant 2011	EMW-2011-FO-07575	97.044	<u>\$ 218,974</u>
Homeland Security Grant Program Issue 2	12-DS-20-06-15-01-486	97.067	\$ 62,855
FY 2011 State Homeland Security Grant Program Issue 7	12-DS-20-06-15-01-489	97.067	34,381
FY 2012 State Homeland Security Grant Program Issue 11	13-DS-97-06-15-01-363	97.067	15,778
FY 2013 Homeland Security Grant Program Issue 11	14-DS-L5-06-15-01-248	97.067	1,172
Citizens Corps and Community Emergency Response Team Program	12-CI-24-06-15-01-389	97.067	929
			<u>\$ 115,115</u>
FY 2012 Staffing for Adequate Fire & Emergency Response (SAFER)	EMW-2012-FH-00634	97.083	<u>\$ 1,402,106</u>
Total Department of Homeland Security			<u>\$ 2,250,326</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS - PRIMARY GOVERNMENT</b>			<u><u>\$ 29,454,903</u></u>
<b>COMPONENT UNITS - TITUSVILLE-COCOA AIRPORT AUTHORITY</b>			
<b>DEPARTMENT OF TRANSPORTATION:</b>			
Federal Aviation Administration			
Improvement Program			
TIX West Apron Rehab	31200800252012	20.106	\$ 3,549,631
COI RSA Design	31200130182013	20.106	391,016
TIX Airfield Markings	31200800262014	20.106	29,294
Total Department of Transportation			<u>\$ 3,969,941</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY</b>			<u><u>\$ 33,424,844</u></u>



BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2014

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CSFA Number</i>	<i>State Expenditures</i>
<b>PRIMARY GOVERNMENT</b>			
<b>EXECUTIVE OFFICE OF THE GOVERNOR:</b>			
Division of Emergency Management			
Emergency Management Preparedness and Assistance Grant (EMPA)	15-BG-83-06-15-01-005	31.063	\$ 24,632
Emergency Management Preparedness and Assistance Grant (EMPA)	14-BG-83-06-15-01-005	31.063	105,313
			<u>\$ 129,945</u>
Hazardous Material Planning Assistance	14-CP-11-06-15-01-228	31.067	\$ 11,567
Total Executive Office of the Governor			<u>\$ 141,512</u>
<b>DEPARTMENT OF ENVIRONMENTAL PROTECTION:</b>			
Brevard County Beach Restoration Project	05BE1	37.003	\$ 59,998
Brevard County Shore Protection Project (North & South Reaches)	11BE1	37.003	139,591
Brevard County Mid & South Reach Emergency Dune Restoration	14BE1	37.003	3,095,498
			<u>\$ 3,295,087</u>
Petroleum Contamination Site Cleanup	S0478	37.024	\$ 324,070
Fortenberry Regional Stormwater Management System, Phase 2	S0646	37.039	\$ 274,955
Brevard County Muck Dredging	S0714	37.039	84,440
Valkaria Lakes	G0249	37.039	13,003
Fleming Grant Road Detention Pond	G0390	37.039	54,559
			<u>\$ 426,957</u>
Total Department of Environmental Protection			<u>\$ 4,046,114</u>
<b>DEPARTMENT OF ECONOMIC OPPORTUNITY:</b>			
Growth Management Implementation	P0033	40.024	\$ 24,500
<b>DEPARTMENT OF STATE:</b>			
Division of Library and Information Services'			
State Aid to Libraries	14-ST-01	45.030	\$ 448,604
<b>FLORIDA HOUSING FINANCE CORPORATION:</b>			
Housing and Human Services Department			
State Housing Initiative Program Trust Fund	RESOLUTION 2012-101	52.901	\$ 591,824
<b>DEPARTMENT OF TRANSPORTATION:</b>			
Commission for the Transportation Disadvantaged			
Transportation Disadvantage Trip/Equipment Grant	AR150	55.001	\$ 995,545
Transportation Disadvantage Trip/Equipment Grant	ARG62	55.001	341,575
			<u>\$ 1,337,120</u>
Transportation Disadvantaged Planning 13/14	AR242	55.002	\$ 16,034
Transportation Disadvantaged Planning 14/15	ARH47	55.002	3,392
			<u>\$ 19,426</u>
Total Commission for the Transportation Disadvantaged			<u>\$ 1,356,546</u>
Construction of Hanger D	AQA87	55.004	\$ 400,297
Wickham & Post Roads Improvements	AR078	55.008	\$ 16,478
Eau Gallie/Wickham Roads Intersection Improvements	ARE77	55.008	578
			<u>\$ 17,056</u>
DOT Block Grant	AQV43	55.010	\$ 1,548,901
Rockledge & Viera Route	AR659	55.012	\$ 78,276
Transit Corridor Bus Service SR 520	AOE59	55.013	\$ 448,424
Fixed Route Bus Service SR A1A	AOE60	55.013	448,424
			<u>\$ 896,848</u>
Pineda Causeway Overpass	AQJ65	55.021	\$ 100,126
Total Department of Transportation			<u>\$ 4,398,050</u>

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2014

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CSFA Number</i>	<i>State Expenditures</i>
<b>DEPARTMENT OF CHILDREN AND FAMILIES:</b>			
Parental Home & Clothing (Country Acres)	RGC1104	60.074	\$ 35,566
<b>DEPARTMENT OF HEALTH:</b>			
Emergency Medical Services County Trust	C9005	64.005	\$ 105,410
<b>DEPARTMENT OF HIGHWAY SAFETY &amp; MOTOR VEHICLES:</b>			
Sea Turtle Obstacle Course	11-019E	76.070	\$ 1,358
Sea Turtle Grant Program	14-005E	76.070	2,229
			<u>\$ 3,587</u>
<b>FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION:</b>			
POW/MIA Park Channel Dredging	13262	77.006	\$ 30,341
Jorgensen's Landing Dock Replacement	13222	77.006	9,195
Total Florida Fish and Wildlife Conservation Commission			<u>\$ 39,536</u>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - PRIMARY GOVERNMENT</b>			<u><u>\$ 9,834,703</u></u>
<b>COMPONENT UNITS - TITUSVILLE-COCOA AIRPORT AUTHORITY</b>			
<b>DEPARTMENT OF TRANSPORTATION:</b>			
Transportation Systems Development			
TIX AREF Facility	AQA94	55.004	\$ 109,981
Security System	AQM87	55.004	773,137
ARFF Vehicle Procure	AQ073	55.004	11,947
T Hangar Taxilanes	AQV83	55.004	333,627
TIX Aircraft Storage	AR342	55.004	97,928
COI RSA Design	AR740	55.004	21,126
X21 Fire Hydrants	AR147	55.004	115,254
West Apron	AR703	55.004	1,429,016
TIX Airfield Markings	ARD62	55.004	1,627
East Apron	ARD63	55.004	128,340
Total Department of Transportation			<u>\$ 3,021,983</u>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - REPORTING ENTITY</b>			<u><u>\$ 12,856,686</u></u>

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2014

**Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance**

**1) General:**

The Schedule of Expenditures of Federal Awards and State Financial Assistance presents the activity of all federal programs and state projects of Brevard County, Florida. The reporting entity of Brevard County is defined in the notes to financial statements.

**2) Basis of Accounting:**

The Schedule of Expenditures of Federal 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.

**3) Transfers to Subrecipients:**

During the year ended September 30, 2014, the following amounts were provided to subrecipients from each Federal Program and State Project.

Name of Federal Program:	CFDA		Amount Transferred
CDBG	14.218	\$	224,657
HOME	14.239	\$	699,610

**4) Non-cash Awards:**

During the year ended September 30, 2014, the County received the following non-cash assistance (commodities) from the Department of Agriculture (passed through Florida Department of Agriculture).

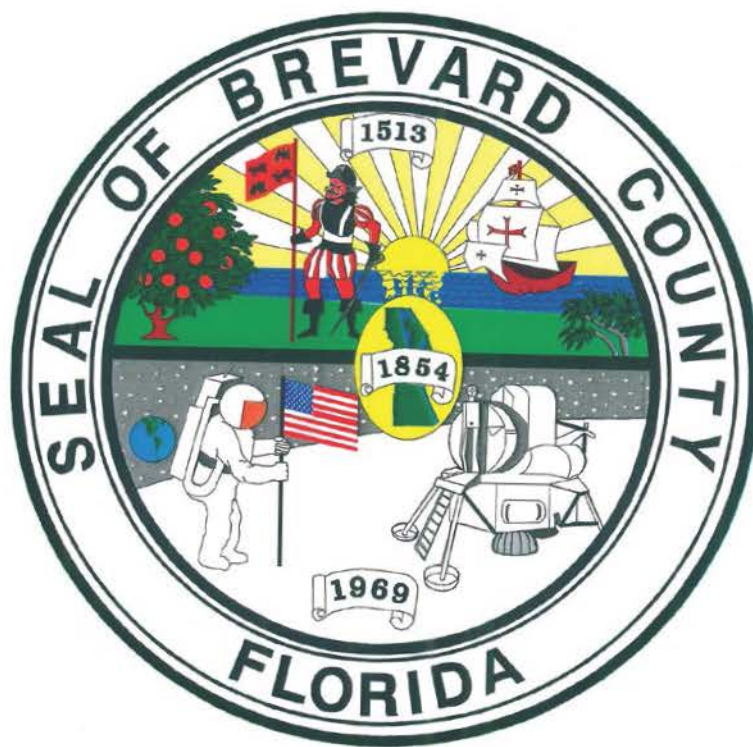
Name of Federal Program:	Contract Number	CFDA		Amount Worth
National Lunch Program	24.003	10.555	\$	67

During the year ended September 30, 2014, the County received the following non-cash donations from the General Services Administration (passed through the Florida Bureau of Federal Property Assistance).

39.003	\$	5,338,785
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**5) Identification of Federal Clusters:**

		CFDA		Amount
<b>DEPARTMENT OF AGRICULTURE:</b>				
School Breakfast/Lunch Program	01-0221	10.555	\$	2,446
Summer Food Service Program	04-00614	10.559		122,282
Total for Child Nutrition Cluster			\$	124,728
<b>DEPARTMENT OF TRANSPORTATION:</b>				
FL-37-X074-00 JARC	FTA G-18	20.516	\$	48,444
FL-57-X049 New Freedom	FTA G-19	20.521		152,490
Total for Transit Services Program Cluster			\$	200,934



BREVARD COUNTY, FLORIDA  
REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS,  
THE SINGLE AUDIT ACT, AND  
CHAPTER 10.550 RULES OF AUDITOR GENERAL

SEPTEMBER 30, 2014

Independent Auditor's Report On Internal Control Over Financial  
Reporting And On Compliance And Other Matters Based On An  
Audit Of Financial Statements Performed In Accordance With  
*Government Auditing Standards*



Independent Auditor's Report On Compliance For Each Major  
Federal Program And State Project And Report On Internal  
Control Over Compliance Required By OMB Circular A-133  
And Chapter 10.550 Rules of the Auditor General



Schedule Of Findings And Questioned Costs



Management Letter  
And  
Management Recommendations



Independent Accountant's Report On Investment Compliance

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  
Housing Finance Authority

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

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

Board of County Commissioners  
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, 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, 2014, and the related notes to the financial statements, which collectively comprise Brevard County, Florida's basic financial statements, and have issued our report thereon dated March 19, 2015. Our report includes a reference to other auditors. Other auditors audited the financial statements of Titusville-Cocoa Airport Authority 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 of the financial statements, we considered Brevard County, Florida's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Brevard County, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of Brevard County, Florida's internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Brevard County, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

Melbourne, Florida  
March 19, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND CHAPTER 10.550 RULES OF THE AUDITOR GENERAL**

Board of County Commissioners  
Brevard County, Florida

**Report on Compliance for Each Major Federal Program and State Project**

We have audited Brevard County, Florida's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of Brevard County, Florida's major Federal programs and State projects for the year ended September 30, 2014. Brevard County, Florida's major Federal programs and State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Brevard County, Florida's basic financial statements include the operations of the Titusville-Cocoa Airport Authority, which received \$3,969,941 in federal awards and \$3,021,983 in state financial assistance which is included and separately presented in the schedule of expenditures of federal awards and state financial assistance during the year ended September 30, 2014. 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, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, Rules of the Auditor General, State of Florida.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to Federal programs and State projects.



### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Brevard County, Florida's major Federal programs and State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 ("Chapter 10.550"). Those standards and OMB Circular A-133 and Chapter 10.550 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 on compliance for each major Federal program and State project. However, our audit does not provide a legal determination of Brevard County, Florida's compliance.

### ***Opinion on Each Major Federal Program and State Project***

In our opinion, Brevard County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs and State projects for the year ended September 30, 2014.

### ***Report on Internal Control Over Compliance***

Management of Brevard County, Florida is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Brevard County, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program and State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and State project and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program or State project on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program or State project will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program or State project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

Melbourne, Florida  
March 19, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

**BREVARD COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2014**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

Financial Statements

- |  |               |
|--|---------------|
| 1. Type of auditor's report issued:                      | Unmodified    |
| 2. Internal control over financial reporting:            |               |
| a. Material weaknesses identified?                       | No            |
| b. Significant deficiencies identified?                  | None reported |
| 3. Noncompliance material to financial statements noted? | No            |

Federal Awards

- |   |               |
|---|---------------|
| 1. Internal control over major programs:  |               |
| a. Material weaknesses identified?  | No            |
| b. Significant deficiencies identified?   | None reported |
| 2. Type of auditor's report issued on compliance for major programs:  | Unmodified    |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | No            |
| 4. Dollar threshold used to distinguish between type A and type B Programs:   | \$883,647     |
| 5. Auditee qualified as a low-risk auditee?   | Yes           |

Identification of major programs Federal:

<u>CFDA Number</u>	<u>Name of Program</u>
14.218	HUD Community Development Block Grants
20.205	DOT Highway Planning and Construction
39.003	GSA Federal Surplus Property Donation Program
66.460	EPA Nonpoint Source Implementation Grants
93.243	HHS Substance Abuse and Mental Health Services
97.083	DOHS Staffing for Adequate Fire and Emergency Response

**BREVARD COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2014**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS (continued)**

State Financial Assistance

- |   |               |
|---|---------------|
| 1. Type of auditor's report issued on compliance for major projects:                | Unmodified    |
| 2. Internal control over major projects:  |               |
| a. Material weaknesses identified?  | No            |
| b. Significant deficiencies identified?   | None reported |
| 3. Any audit findings disclosed that are required to be reported under Rule 10.557? | No            |
| 4. Dollar threshold used to distinguish between type A and type B Projects:         | \$300,000     |

Identification of major projects State:

<u>CSFA Number</u>	<u>Name of Project</u>
37.003	DEP Beach Management Funding Assistance Program
37.024	DEP Petroleum Contamination Site Cleanup
37.039	DEP Statewide Surface Water Restoration
55.001	DOT Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program
55.010	DOT Public Transit Block Grant Program

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None reported.

**SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS**

None reported.

**SECTION IV - FINDINGS AND QUESTIONED COSTS - MAJOR STATE PROJECTS**

None reported.

**BREVARD COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2014**

**SECTION V - SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

None reported related to major Federal programs and State projects.

## MANAGEMENT LETTER

Board of County Commissioners  
Brevard County, Florida

### Report on the Financial Statements

We have audited the financial statements of Brevard County, Florida, as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated March 19, 2015.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Florida Auditor General.

### Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and State Project and on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirement in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 19, 2015, 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, 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.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report noted in the attachment to this letter "Management Recommendations" under the heading Prior Year Recommendations - Corrected.

## **Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The 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.

## **Financial Condition**

Section 10.554(1)(i)5.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not Brevard County, Florida 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 Brevard County, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor Brevard County, Florida'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. In connection with our audit, we determined Brevard County, Florida's overall financial condition is inconclusive.

## **Annual Financial Report**

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for Brevard County, Florida for the fiscal year ended September 30, 2014, 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, 2014. In connection with our audit, we determined that these two reports were in agreement.

## **Special District Component Units**

Section 10.554(1)(i)5.d, Rules of the Auditor General, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 281.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

## **Other Matters**

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

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

## **Purpose of this Letter**

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

March 19, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*



**Brevard County, Florida**  
**MANAGEMENT RECOMMENDATIONS**  
**September 30, 2014**

**Current Year Recommendations**

No current year recommendations for fiscal year ending September 30, 2014.

**Prior Year Recommendations - Corrected**

**13-01 Post closure expenditure calculation and escrow calculation**

Criteria: Per GASB 18 the post closure expenditure calculation is based on the current year Engineering Report for the changes from prior year and per the FDEP, the calculation of the current year Escrow is based on prior years Engineering Report data.

Condition: 1) During testing of the Solid Waste Post Closure calculation for the Sarno Landfill, a change in the engineer's report was not made in the PBC schedule. 2) While testing the Escrow calculation, the current year remaining years was used to calculate the Escrow instead of the Florida Dept of Environmental Protection (FDEP) required prior year remaining years.

Cause: 1) This was an isolated incident due to the Engineering Report making a change to a previously static remaining capacity amount in the Sarno Road Landfill. 2) The PBC Escrow schedule used the current year remaining years instead of the prior years remaining years.

Effect: Post closure expense was understated and the escrow amount was overstated.

Recommendations: We recommend rotating the review of the calculation of the post closure calculation per GASB 18 and the FDEP Escrow calculation between management to ensure accuracy of the PBC schedules.

Status as of September 30, 2014: The above issue has been resolved.

## INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

To the Board of County Commissioners  
Brevard County, Florida

We have examined Brevard County's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2014. Management is responsible for Brevard County's compliance with those requirements. Our responsibility is to express an opinion on Brevard County's compliance based on our examination.

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

In our opinion, Brevard County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

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

Melbourne, Florida  
March 19, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

SHERIFF

BREVARD COUNTY SHERIFF

SEPTEMBER 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditor's Report	1
Fund Financial Statements:	
Balance Sheet – Governmental Funds	A-1 6
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	A-2 8
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
General Fund	A-3 10
Special Law Enforcement District	A-4 11
Inmate Welfare	A-5 12
Statement of Fiduciary Net Position – Fiduciary Funds	A-6 13
Notes to the Special-Purpose Financial Statements	14
Required Supplementary Information:	
Schedule of Funding Progress for the Retiree Health Plan	20
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	B-1 24
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	B-2 27
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Special Revenue Funds	C-1 30
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	40
MANAGEMENT LETTER	
And MANAGEMENT COMMENTS AND RECOMMENDATIONS	42
INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE	45



## INDEPENDENT AUDITOR'S REPORT

The Honorable Wayne Ivey  
Brevard County Sheriff's Office  
Brevard County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special-purpose financial statements of the Brevard County Sheriff's Office (the "Sheriff"), Florida as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Sheriff's special-purpose financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these 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 financial statements are free from material misstatement.

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

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

As described in Note 1-B, 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, the *Rules of the Auditor General*, State of Florida, and present only the financial position of the Sheriff at September 30, 2014, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2014, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Opinions***

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the each major fund and the aggregate remaining fund information of the Sheriff as of September 30, 2014, and the respective changes in financial position and respective budgetary comparison for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the schedule of funding progress for the retiree health plan, as listed in the table of contents be presented to supplement the special-purpose financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the special-purpose financial statements that collectively comprise the Sheriff's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2015, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

May 20, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*





**BREVARD COUNTY**

**SHERIFF**

**FUND FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2014**



BREVARD COUNTY SHERIFF  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<i>General</i>	<i>Special Law Enforcement District</i>
<b>ASSETS</b>		
Cash	\$ 5,318,691	\$ 2,559,251
Accounts receivable	153,020	0
Due from other funds	0	0
Due from constitutional officers	177,031	115,554
Due from other governmental units	106,129	46,950
Inventory of supplies	892,699	0
Prepaid items	68,869	0
Total assets	<u>\$ 6,716,439</u>	<u>\$ 2,721,755</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Vouchers and contracts payable	\$ 1,375,946	\$ 988
Accrued wages and benefits payable	2,766,418	527,018
Due to other funds	1,992	0
Due to constitutional officers	1,478,685	2,193,749
Due to other governmental units	14,390	0
Unearned revenue	117,440	0
Total liabilities	<u>\$ 5,754,871</u>	<u>\$ 2,721,755</u>
<b>Fund balances:</b>		
Non-spendable:		
Inventory	\$ 892,699	\$ 0
Prepaid items	68,869	0
Restricted:		
Other purposes	0	0
Total fund balances	<u>\$ 961,568</u>	<u>\$ 0</u>
<b>Total liabilities and fund balances</b>	<u><u>\$ 6,716,439</u></u>	<u><u>\$ 2,721,755</u></u>

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

<i>Inmate Welfare</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 1,312,213	\$ 1,758,126	\$ 10,948,281
103,061	4,975	261,056
70,000	0	70,000
0	3,447	296,032
0	0	153,079
0	0	892,699
0	0	68,869
<u>\$ 1,485,274</u>	<u>\$ 1,766,548</u>	<u>\$ 12,690,016</u>
\$ 20,744	\$ 59,809	\$ 1,457,487
0	118,001	3,411,437
0	0	1,992
0	52,093	3,724,527
0	3,458	17,848
0	289,309	406,749
<u>\$ 20,744</u>	<u>\$ 522,670</u>	<u>\$ 9,020,040</u>
\$ 0	\$ 0	\$ 892,699
0	0	68,869
1,464,530	1,243,878	2,708,408
<u>\$ 1,464,530</u>	<u>\$ 1,243,878</u>	<u>\$ 3,669,976</u>
<u>\$ 1,485,274</u>	<u>\$ 1,766,548</u>	<u>\$ 12,690,016</u>

BREVARD COUNTY SHERIFF  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>General</i>	<i>Special Law Enforcement District</i>
REVENUES		
Intergovernmental revenues	\$ 745,455	\$ 86,350
Charges for services	513,440	186,450
Fines and forfeits	0	0
Miscellaneous revenues	1,861,740	80,176
Total revenues	<u>\$ 3,120,635</u>	<u>\$ 352,976</u>
EXPENDITURES		
Public safety	\$ 87,198,360	\$ 14,673,896
Capital outlay	3,157,091	196,822
Total expenditures	<u>\$ 90,355,451</u>	<u>\$ 14,870,718</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (87,234,816)</u>	<u>\$ (14,517,742)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from constitutional officers	\$ 87,544,403	\$ 17,262,673
Transfers to constitutional officers	(356,031)	(2,751,571)
Proceeds of the sale of capital assets	46,444	6,640
Total other financing sources and (uses)	<u>\$ 87,234,816</u>	<u>\$ 14,517,742</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	\$ 1,142,088	\$ 0
Decrease in non-spendable	(180,520)	0
Fund balances - ending	<u><u>\$ 961,568</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>Other Governmental Funds</i>	<i>Total</i>
\$ 0	\$ 0	\$ 831,805
33	2,514,698	3,214,621
0	756,868	756,868
760,512	35,652	2,738,080
<u>\$ 760,545</u>	<u>\$ 3,307,218</u>	<u>\$ 7,541,374</u>
\$ 406,741	\$ 3,365,217	\$ 105,644,214
13,749	156,961	3,524,623
<u>\$ 420,490</u>	<u>\$ 3,522,178</u>	<u>\$ 109,168,837</u>
<u>\$ 340,055</u>	<u>\$ (214,960)</u>	<u>\$ (101,627,463)</u>
\$ 0	\$ 375,557	\$ 105,182,633
0	(47,118)	(3,154,720)
0	0	53,084
<u>\$ 0</u>	<u>\$ 328,439</u>	<u>\$ 102,080,997</u>
<u>\$ 340,055</u>	<u>\$ 113,479</u>	<u>\$ 453,534</u>
\$ 1,124,475	\$ 1,130,399	\$ 3,396,962
0	0	(180,520)
<u>\$ 1,464,530</u>	<u>\$ 1,243,878</u>	<u>\$ 3,669,976</u>

BREVARD COUNTY SHERIFF  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<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	\$ 138,549	\$ 684,196	\$ 745,455	\$ 61,259
Charges for services	398,775	501,726	513,440	11,714
Miscellaneous revenues	1,404,241	1,596,920	1,861,740	264,820
Total revenues	\$ 1,941,565	\$ 2,782,842	\$ 3,120,635	\$ 337,793
EXPENDITURES				
Public safety	\$ 84,850,467	\$ 86,299,298	\$ 87,198,360	\$ (899,062)
Capital outlay	1,505,217	4,686,890	3,157,091	1,529,799
Total expenditures	\$ 86,355,684	\$ 90,986,188	\$ 90,355,451	\$ 630,737
Deficiency of revenues under expenditures	\$ (84,414,119)	\$ (88,203,346)	\$ (87,234,816)	\$ 968,530
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers	\$ 84,664,119	\$ 88,457,312	\$ 87,544,403	\$ (912,909)
Transfers to constitutional officers	(300,000)	(303,966)	(356,031)	(52,065)
Proceeds of the sale of capital assets	50,000	50,000	46,444	(3,556)
Total other financing sources and (uses)	\$ 84,414,119	\$ 88,203,346	\$ 87,234,816	\$ (968,530)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	\$ 1,142,088	\$ 1,142,088	\$ 1,142,088	\$ 0
Decrease in non-spendable	0	0	(180,520)	(180,520)
Fund balances - ending	\$ 1,142,088	\$ 1,142,088	\$ 961,568	\$ (180,520)

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, 2014

	<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	\$ 0	\$ 67,074	\$ 86,350	\$ 19,276
Charges for services	177,000	177,000	186,450	9,450
Miscellaneous revenues	6,600	6,600	80,176	73,576
Total revenues	<u>\$ 183,600</u>	<u>\$ 250,674</u>	<u>\$ 352,976</u>	<u>\$ 102,302</u>
EXPENDITURES				
Public safety	\$ 16,201,868	\$ 16,268,942	\$ 14,673,896	\$ 1,595,046
Capital outlay	323,036	580,479	196,822	383,657
Total expenditures	<u>\$ 16,524,904</u>	<u>\$ 16,849,421</u>	<u>\$ 14,870,718</u>	<u>\$ 1,978,703</u>
Deficiency of revenues under expenditures	<u>\$ (16,341,304)</u>	<u>\$ (16,598,747)</u>	<u>\$ (14,517,742)</u>	<u>\$ 2,081,005</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers	\$ 16,936,193	\$ 17,193,636	\$ 17,262,673	\$ 69,037
Transfers to constitutional officers	(604,889)	(604,889)	(2,751,571)	(2,146,682)
Proceeds of the sale of capital assets	10,000	10,000	6,640	(3,360)
Total other financing sources and (uses)	<u>\$ 16,341,304</u>	<u>\$ 16,598,747</u>	<u>\$ 14,517,742</u>	<u>\$ (2,081,005)</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, 2014

	<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	\$ 0	\$ 0	\$ 33	\$ 33
Miscellaneous revenues	650,000	650,000	760,512	110,512
Total revenues	\$ 650,000	\$ 650,000	\$ 760,545	\$ 110,545
EXPENDITURES				
Public safety	\$ 650,000	\$ 650,000	\$ 406,741	\$ 243,259
Capital outlay	0	0	13,749	(13,749)
Total expenditures	\$ 650,000	\$ 650,000	\$ 420,490	\$ 229,510
Net change in fund balances	\$ 0	\$ 0	\$ 340,055	\$ 340,055
Fund balances - beginning	1,124,475	1,124,475	1,124,475	0
Fund balances - ending	\$ 1,124,475	\$ 1,124,475	\$ 1,464,530	\$ 340,055

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

BREVARD COUNTY SHERIFF  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2014

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 154,079
Due from other funds	1,992
Total assets	<u>\$ 156,071</u>
LIABILITIES	
Due to individuals and others	\$ 45,059
Due to other funds	70,000
Due to other governmental units	41,012
Total liabilities	<u>\$ 156,071</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, 2014

I. 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 (ninety 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.

Governmental funds report fund balances either as non-spendable or spendable. Spendable balances are further classified as restricted, committed, assigned or unassigned, based on the extent to which there are external or internal constraints on the spending of these fund balances.

**Non-spendable Fund Balance** – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally items such as long-term amounts of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact. As of September 30, 2014, the Sheriff has \$961,568 of a non-spendable fund balance which represents \$892,699 of inventories and \$68,869 of prepaid items.

BREVARD COUNTY SHERIFF  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

**Spendable Fund Balance:**

- Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. As of September 30, 2014 the Sheriff has \$2,708,408 of restricted fund balance to be used for other purposes.
- Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Sheriff. Commitments may be changed or lifted only by the Sheriff taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- Assigned Fund Balance – Included spendable fund balance amounts established by the Sheriff that are intended to be used for specific purposes and are neither considered restricted or committed.
- Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Sheriff spends restricted amounts first, when both restricted and unrestricted fund balance is available, unless prohibited by legal documents, grant agreements or contracts. Additionally, the Sheriff uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes of which amounts in any of the unrestricted fund balance classifications could be used.

The Sheriff utilizes the following major funds:

**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** – This 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** – This 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.

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 equal liabilities) and do not involve the measurement of results of operations. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position.

Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting.

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.

BREVARD COUNTY SHERIFF  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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. Capital asset activity for the year ended September 30, 2014, was as follows:

	<u>Oct. 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2014</u>
<b>Governmental Activities:</b>				
Operating machinery and equipment	\$ 37,071,044	\$ 3,844,055	\$ 1,503,769	\$ 39,411,330
Less accumulated depreciation	<u>26,551,959</u>	<u>3,322,877</u>	<u>1,402,867</u>	<u>28,471,969</u>
Total governmental activities capital assets, net	<u>\$ 10,519,085</u>	<u>\$ 521,178</u>	<u>\$ 100,902</u>	<u>\$ 10,939,361</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.

F. Inventory and Prepaid Items

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

G. Investments

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

H. Accrued Compensated Absences

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

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

<u>Oct. 1, 2013</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2014</u>
\$12,889,184	\$2,053,590	\$1,409,386	\$13,533,388

The accrued compensated absence liability due within one year is estimated at \$1,506,483.

I. Use of Estimates

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

2. Cash and Investments

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

The total cash amount for the Sheriff was \$11,102,360, and deposits with financial institutions were \$12,206,212. 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. \$12,206,212

Included in the total cash amount is \$40,085 which represents cash on hand.

On September 30, 2014, the Sheriff had \$26,564 invested in the State Board of Administration's Florida Prime.

BREVARD COUNTY SHERIFF  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

3. Leases and Other Commitments

The Sheriff had no capital leases as of September 30, 2014.

The Sheriff is obligated under operating lease agreements for building facilities expiring between July 2016 and December 2030. The total cost for these leases was \$99,063 for the year ended September 30, 2014. The future minimum lease payments are as follows:

Year Ended <u>September 30</u>	<u>Amount</u>
2015	\$ 99,386
2016	85,697
2017	15,514
2018	11,895
2019	16,585
2020-2024	90,004
2025-2029	104,340
2030-2031	28,606
Total minimum lease payable	<u>\$ 452,027</u>

The Sheriff is obligated under several operating lease agreements for office copiers and shredders expiring between January 2015 and September 2019. Total cost for the leases was \$156,971 for the year ended September 30, 2014. The future minimum lease payments are as follows:

Year Ended <u>September 30</u>	<u>Amount</u>
2015	\$ 151,038
2016	110,095
2017	71,818
2018	50,969
2019	24,976
Total minimum lease payable	<u>\$ 408,896</u>

The Board of County Commissioners obtained a bank note for the construction of a facility used for the Sheriff's office North Precinct of which the Sheriff is responsible for making lease payments equal to the debt of the loan. Total cost for the lease was \$495,172 for the year ended September 30, 2014. The future minimum lease payments are as follows:

Year Ended <u>September 30</u>	<u>Amount</u>
2015	\$ 266,123
2016	261,535
2017	261,879
2018	262,083
2019	262,149
2020-2024	1,311,793
2025-2029	1,315,148
2030-2032	786,901
Total minimum lease payable	<u>\$ 4,727,611</u>

BREVARD COUNTY SHERIFF  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

The Board of County Commissioners obtained a loan refunding the prior commercial paper debt. The Sheriff is still obligated to fulfill their prior commitment to the Board of County Commissioners and make payments from May 2015 to May 2027. The commercial paper 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.

In addition to the previous commitments on July 8, 2014, the Board of County Commissioners authorized borrowing funds to provide for the financing of the replacement of the Computer Aided Dispatch, Records Management and Jail Management System (CAD/RM/JM) in the amount of \$3,800,000. This loan will be amortized over a period of 15 years from October 2015 to October 2029, with an annual payment of \$280,000.

The minimum commitments payable are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2015	\$ 346,840
2016	534,846
2017	481,880
2018	481,880
2019	481,880
2020-2024	2,409,398
2025-2029	2,004,869
2030	279,615
Total minimum lease payable	<u>\$ 7,021,208</u>

4. Risk Management

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

5. Deferred Compensation

Refer to Note 21 in the County-wide Financial Statements.

6. Contingent Liabilities

The Sheriff is insured through the Florida Sheriff's Risk Management Fund for coverage of substantially all risks and general liability claims. The Florida Sheriff's Risk Management Fund is a self-insurance fund. 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 Risk Management Fund, and in the opinion of attorneys for the Florida Sheriff's Risk Management Fund, except as otherwise disclosed, no material liability will be incurred by the Sheriff.

7. Retirement Plan

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

The Sheriff's contributions for the years ending September 30, 2014, 2013, and 2012, were \$9,116,415, \$7,356,249, and \$6,339,526, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2014, represented 16.09% of covered payroll.

8. Other Postemployment Benefits

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

BREVARD COUNTY SHERIFF  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

The following table shows the actuarial determined components of the Sheriff employee's portion of Brevard County's obligation as of September 30, 2012, 2013 and 2014 based on the current plan provisions:

	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>	<u>Sept. 30, 2014</u>
Annual required contribution	\$ 1,720,511	\$ 1,549,567	\$ 1,064,920
Interest on net OPEB contribution	106,713	115,645	62,175
Adjustment to annual required contribution	<u>(190,818)</u>	<u>(206,790)</u>	<u>(238,530)</u>
Annual OPEB cost (expense)	\$ 1,636,406	\$ 1,458,422	\$ 888,565
Contributions made	<u>(1,003,168)</u>	<u>(1,023,231)</u>	<u>(1,019,198)</u>
Increase (decrease) in net OPEB obligation	\$ 633,238	\$ 435,191	\$ (130,633)
Net OPEB obligation - beginning of year	<u>5,149,036</u>	<u>5,782,274</u>	<u>6,217,465</u>
Net OPEB obligation - end of year	<u>\$ 5,782,274</u>	<u>\$ 6,217,465</u>	<u>\$ 6,086,832</u>

No trust or agency fund has been established for the plan; there were no adjustments to the annual required contribution or interest earnings.

Funded Status and Funding Progress - The contributions made for the 2012, 2013 and 2014 fiscal years were 61.3%, 70.2% and 114.7%, respectively, of the annual OPEB cost. As of the October 1, 2013, actuarial valuation date, the actuarial accrued liability for benefits was \$16,387,591, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$56,657,930 and the ratio of the UAAL to the covered payroll was 28.9%.

9. Comparison of Expenditures to Appropriations

Federal Forfeitures Treasury Fund public safety and capital outlay expenditures exceeded appropriation by \$495,172 and \$149,387, respectively.

On August 28, 2014, an interlocal agreement was entered into between the Canaveral Port Authority and the Brevard County Sheriff's Office to provide seaport security and law enforcement services effective October 1, 2014. Due to the timing of the agreement, and in order to provide for smooth transition, fiscal year 2014 expenditures exceeded appropriation by \$34,225.

10. Subsequent Event

On August 28, 2014, an interlocal agreement was entered into between Canaveral Port Authority and Brevard County Sheriff's Office to provide seaport security and law enforcement services. The term of this agreement is October 1, 2014 through September 30, 2017, with option to renew for periods of three years. The Brevard County Sheriff's Office will receive \$4,999,800 for such services in fiscal year 2015; fiscal years 2016 and 2017, amounts will be negotiated upon mutual agreement during the budget process.

Brevard County Commissioners, in March 2014, approved Brevard County Sheriff's Office's proposal to take over Brevard County's Animal Services and Enforcement Department. The transition effective date is October 1, 2014.

The Sheriff has evaluated subsequent events through May 20, 2015, the date which the financial statements were issued.



BREVARD COUNTY SHERIFF  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
FOR THE RETIREE HEALTH PLAN  
SEPTEMBER 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 34,691,563	\$ 34,691,563	0.0%	\$ 52,729,042	65.8%
10/01/2008	\$ 0	\$ 34,691,563	\$ 34,691,563	0.0%	\$ 53,953,025	64.3%
10/01/2009	\$ 0	\$ 21,035,439	\$ 21,035,439	0.0%	\$ 54,546,045	38.6%
10/01/2010	\$ 0	\$ 21,570,516	\$ 21,570,516	0.0%	\$ 53,905,584	40.0%
10/01/2011	\$ 0	\$ 25,545,227	\$ 25,545,227	0.0%	\$ 54,498,058	46.9%
10/01/2012	\$ 0	\$ 25,644,980	\$ 25,644,980	0.0%	\$ 56,206,904	45.6%
10/01/2013	\$ 0	\$ 16,387,591	\$ 16,387,591	0.0%	\$ 56,657,930	28.9%

# BREVARD COUNTY

## SHERIFF

### **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

SEPTEMBER 30, 2014



## **BREVARD COUNTY SHERIFF**

### **Nonmajor Governmental Funds**

#### **Special Revenue Funds**

Contraband - 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.

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

Special Law Enforcement Training \$2.50 Fund - is used to account for the receipt of revenue obtained from the assessment of court costs collected and distributed to the Sheriff's Department for reimbursement of criminal justice education and training as prescribed in Chapter 318.18 (11)(c) of the Florida Statutes.

Federal Forfeiture Department of Justice - is 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 Department of Justice guidelines for law enforcement purposes. Federal guidelines do not require an adopted budget.

Federal Forfeiture Department of Treasury - is used to account for 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 Department of Treasury guidelines for law enforcement purposes. Federal guidelines do not require an adopted budget.

Crime Prevention - is used to account for the receipt of revenue obtained from the assessment of court costs collected and distributed to the Sheriff's Department for crime prevention programs in the County, including safe neighborhood programs as prescribed in Chapter 775.083 (2) of the Florida Statutes.

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 this fund.

Port Canaveral Law Enforcement Special Revenue Fund - 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.

BREVARD COUNTY SHERIFF  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<u>Special Revenue</u>	
	<u>Contraband</u>	<u>Special Law Enforcement Training Fund Second Dollar</u>
ASSETS		
Cash	\$ 294,769	\$ 0
Accounts receivable	4,975	0
Due from constitutional officers	2,200	0
Total assets	<u>\$ 301,944</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 7,403	\$ 0
Accrued wages and benefits payable	0	0
Due to constitutional officers	5,232	0
Due to other governmental units	0	0
Unearned revenue	289,309	0
Total liabilities	<u>\$ 301,944</u>	<u>\$ 0</u>
Fund balances:		
Restricted:		
Other purposes	<u>\$ 0</u>	<u>\$ 0</u>
Total liabilities and fund balances	<u>\$ 301,944</u>	<u>\$ 0</u>

<i>Special Revenue</i>				
<i>Special Law Enforcement Training \$2.50 Fund</i>	<i>Federal Forfeiture Department of Justice</i>	<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>City of Cape Canaveral Law Enforcement</i>
\$ 0	\$ 208,683	\$ 1,075,502	\$ 46,861	\$ 98,086
0	0	0	0	0
0	0	0	0	1,247
<u>\$ 0</u>	<u>\$ 208,683</u>	<u>\$ 1,075,502</u>	<u>\$ 46,861</u>	<u>\$ 99,333</u>
\$ 0	\$ 0	\$ 40,307	\$ 0	\$ 9,802
0	0	0	0	86,073
0	0	0	46,861	0
0	0	0	0	3,458
0	0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 40,307</u>	<u>\$ 46,861</u>	<u>\$ 99,333</u>
\$ 0	\$ 208,683	\$ 1,035,195	\$ 0	\$ 0
<u>\$ 0</u>	<u>\$ 208,683</u>	<u>\$ 1,075,502</u>	<u>\$ 46,861</u>	<u>\$ 99,333</u>

BREVARD COUNTY SHERIFF  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<u>Special Revenue</u>	
	<i>Port Canaveral Law Enforcement</i>	<u>Total</u>
ASSETS		
Cash	\$ 34,225	\$ 1,758,126
Accounts receivable	0	4,975
Due from constitutional officers	0	3,447
Total assets	<u>\$ 34,225</u>	<u>\$ 1,766,548</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 2,297	\$ 59,809
Accrued wages and benefits payable	31,928	118,001
Due to constitutional officers	0	52,093
Due to other governmental units	0	3,458
Unearned revenue	0	289,309
Total liabilities	<u>\$ 34,225</u>	<u>\$ 522,670</u>
Fund balances:		
Restricted:		
Other purposes	<u>\$ 0</u>	<u>\$ 1,243,878</u>
Total liabilities and fund balances	<u>\$ 34,225</u>	<u>\$ 1,766,548</u>

BREVARD COUNTY SHERIFF  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Special Revenue</i>	
	<i>Contraband</i>	<i>Special Law Enforcement Training Fund Second Dollar</i>
REVENUES		
Charges for services	\$ 0	\$ 0
Fines and forfeits	0	0
Miscellaneous revenues	257	0
Total revenues	\$ 257	\$ 0
EXPENDITURES		
Public safety	\$ 195,000	\$ 27,456
Capital outlay	0	0
Total expenditures	\$ 195,000	\$ 27,456
Excess (deficiency) of revenues over (under) expenditures	\$ (194,743)	\$ (27,456)
OTHER FINANCING SOURCES AND (USES)		
Transfers from constitutional officers	\$ 195,000	\$ 27,456
Transfers to constitutional officers	(257)	0
Total other financing sources and (uses)	\$ 194,743	\$ 27,456
Net change in fund balances	\$ 0	\$ 0
Fund balances - beginning	0	0
Fund balances - ending	\$ 0	\$ 0



BREVARD COUNTY SHERIFF  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Special Revenue</i>	
	<i>Special Law Enforcement Training \$2.50 Fund</i>	<i>Federal Forfeiture Department of Justice</i>
REVENUES		
Charges for services	\$ 0	\$ 0
Fines and forfeits	0	33,727
Miscellaneous revenues	0	215
Total revenues	<u>\$ 0</u>	<u>\$ 33,942</u>
EXPENDITURES		
Public safety	\$ 93,024	\$ 0
Capital outlay	0	0
Total expenditures	<u>\$ 93,024</u>	<u>\$ 0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (93,024)</u>	<u>\$ 33,942</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from constitutional officers	\$ 93,024	\$ 0
Transfers to constitutional officers	0	0
Total other financing sources and (uses)	<u>\$ 93,024</u>	<u>\$ 0</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 33,942</u>
Fund balances - beginning	<u>0</u>	<u>174,741</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 208,683</u></u>

*Special Revenue*

<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>City of Cape Canaveral Law Enforcement</i>	<i>Port Canaveral Law Enforcement</i>	<i>Total</i>
\$ 0	\$ 0	\$ 2,514,698	\$ 0	\$ 2,514,698
723,141	0	0	0	756,868
955	0	0	34,225	35,652
<u>\$ 724,096</u>	<u>\$ 0</u>	<u>\$ 2,514,698</u>	<u>\$ 34,225</u>	<u>\$ 3,307,218</u>
\$ 495,172	\$ 13,216	\$ 2,507,124	\$ 34,225	\$ 3,365,217
149,387	0	7,574	0	156,961
<u>\$ 644,559</u>	<u>\$ 13,216</u>	<u>\$ 2,514,698</u>	<u>\$ 34,225</u>	<u>\$ 3,522,178</u>
\$ 79,537	\$ (13,216)	\$ 0	\$ 0	\$ (214,960)
\$ 0	\$ 60,077	\$ 0	\$ 0	\$ 375,557
0	(46,861)	0	0	(47,118)
<u>\$ 0</u>	<u>\$ 13,216</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 328,439</u>
\$ 79,537	\$ 0	\$ 0	\$ 0	\$ 113,479
955,658	0	0	0	1,130,399
<u><u>\$ 1,035,195</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,243,878</u></u>

BREVARD COUNTY SHERIFF  
CONTRABAND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 257	\$ 257
EXPENDITURES			
Public safety	\$ 195,000	\$ 195,000	\$ 0
Deficiency of revenues under expenditures	\$ (195,000)	\$ (194,743)	\$ 257
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 195,000	\$ 195,000	\$ 0
Transfers to constitutional officers	0	(257)	(257)
Total other financing sources and (uses)	\$ 195,000	\$ 194,743	\$ (257)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0

BREVARD COUNTY SHERIFF  
SPECIAL LAW ENFORCEMENT TRAINING FUND SECOND DOLLAR  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 27,456	\$ 27,456	\$ 0
OTHER FINANCING SOURCES			
Transfers from constitutional officers	\$ 27,456	\$ 27,456	\$ 0
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

BREVARD COUNTY SHERIFF  
SPECIAL LAW ENFORCEMENT TRAINING \$2.50 FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 93,024	\$ 93,024	\$ 0
OTHER FINANCING SOURCES			
Transfers from constitutional officers	\$ 93,024	\$ 93,024	\$ 0
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

BREVARD COUNTY SHERIFF  
FEDERAL FORFEITURE DEPARTMENT OF JUSTICE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Fines and forfeits	\$ 0	\$ 33,727	\$ 33,727
Miscellaneous revenues	0	215	215
Total revenues	\$ 0	\$ 33,942	\$ 33,942
Fund balances - beginning	174,741	174,741	0
Fund balances - ending	<u>\$ 174,741</u>	<u>\$ 208,683</u>	<u>\$ 33,942</u>

BREVARD COUNTY SHERIFF  
FEDERAL FORFEITURE DEPARTMENT OF TREASURY  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Fines and forfeits	\$ 0	\$ 723,141	\$ 723,141
Miscellaneous revenues	0	955	955
Total revenues	<u>\$ 0</u>	<u>\$ 724,096</u>	<u>\$ 724,096</u>
EXPENDITURES			
Public safety	\$ 0	\$ 495,172	\$ (495,172)
Capital outlay	0	149,387	(149,387)
Total expenditures	<u>\$ 0</u>	<u>\$ 644,559</u>	<u>\$ (644,559)</u>
Net change in fund balances	\$ 0	\$ 79,537	\$ 79,537
Fund balances - beginning	955,658	955,658	0
Fund balances - ending	<u>\$ 955,658</u>	<u>\$ 1,035,195</u>	<u>\$ 79,537</u>

BREVARD COUNTY SHERIFF

CRIME PREVENTION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 72,732	\$ 13,216	\$ 59,516
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 72,732	\$ 60,077	\$ (12,655)
Transfers to constitutional officers	0	(46,861)	(46,861)
Total other financing sources and (uses)	\$ 72,732	\$ 13,216	\$ (59,516)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0



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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 2,665,545	\$ 2,514,698	\$ (150,847)
EXPENDITURES			
Public safety	\$ 2,662,545	\$ 2,507,124	\$ 155,421
Capital outlay	3,000	7,574	(4,574)
Total expenditures	\$ 2,665,545	\$ 2,514,698	\$ 150,847
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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, 2014

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 34,225	\$ 34,225
EXPENDITURES			
Public safety	\$ 0	\$ 34,225	\$ (34,225)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



# BREVARD COUNTY

## SHERIFF

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



**MANAGEMENT LETTER  
And  
MANAGEMENT COMMENTS AND RECOMMENDATIONS**



**INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE**

SEPTEMBER 30, 2014

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

To the Honorable Wayne Ivey  
Brevard County Sheriff's office  
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Brevard County Sheriff's Office (the "Sheriff") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise of the Sheriff's special-purpose financial statements, and have issued our report thereon dated May 20, 2015.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Sheriff's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

May 20, 2015  
Melbourne, FL

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

## MANAGEMENT LETTER

Honorable Wayne Ivey  
Brevard County Sheriff's Office  
Brevard County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Brevard County Sheriff's Office (the "Sheriff"), Florida, as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated May 20, 2015.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

### Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated May 20, 2014, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Official Title and Legal Authority

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

## **Other Matters**

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

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

## **Purpose of this Letter**

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

May 20, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*



**Brevard County Sheriff**

**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Current Year Recommendations (fiscal year 2014)**

There are no current year management comments or recommendations.

**Prior Year Recommendations (fiscal year 2013)**

There were no prior year management comments or recommendations.

## INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

Honorable Wayne Ivey  
Brevard County Sheriff's Office  
Brevard County, Florida

We have examined the Brevard County Sheriff's Office's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2014. Management is responsible for Brevard County Sheriff's Office's compliance with those requirements. Our responsibility is to express an opinion on Brevard County Sheriff's Office's compliance based on our examination.

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

In our opinion, Brevard County Sheriff's Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

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

Melbourne, Florida  
May 20, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*



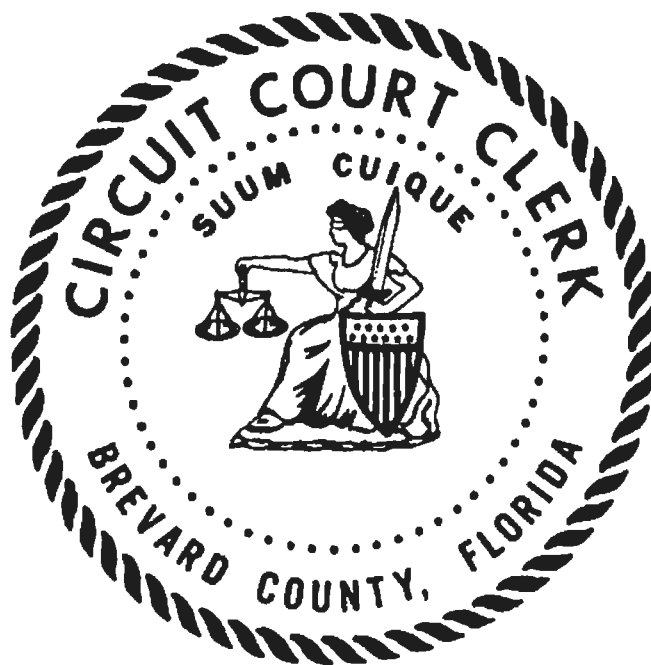
CLERK  
OF THE  
CIRCUIT  
COURT

BREVARD COUNTY CLERK OF THE CIRCUIT COURT

SEPTEMBER 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditor's Report	1
Fund Financial Statements:	
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
10% Fine Fund	10
Court Related Technology	11
Statement of Fiduciary Net Position – Fiduciary Funds	12
Notes to the Special-Purpose Financial Statements	13
Required Supplementary Information:	
Schedule of Funding Progress for the Retiree Health Plan	18
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	20
MANAGEMENT LETTER And MANAGEMENT COMMENTS AND RECOMMENDATIONS	22
MANAGEMENT'S RESPONSE	35
INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE	36
INDEPENDENT ACCOUNTANT'S REPORT ON CLERKS OF THE CIRCUIT COURT COMPLIANCE	37



## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Clerk of the Circuit Court of Brevard County, Florida ("the Clerk") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Clerk's special-purpose financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these 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 from material misstatement.

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

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

As described in Note 1-B, 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, the *Rules of the Auditor General*, State of Florida, and present only the financial position of the Clerk at September 30, 2014, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2014, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Opinions**

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 of the Clerk, as of September 30, 2014, and the respective changes in financial position and the respective budgetary comparison for the General, Records Modernization Trust, 10% Fine, and Court Related Technology Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the schedule of funding progress for the retiree health plan, as listed in the table of contents, be presented to supplement the special-purpose financial statements. Such information, although not a part of the special-purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special-purpose financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the special-purpose financial statements, and other knowledge we obtained during our audit of the special-purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2015, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

June 9, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*



**BREVARD COUNTY  
CLERK OF THE CIRCUIT COURT  
FUND FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2014**



BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<u>General</u>	<u>Records Modernization Trust</u>
<b>ASSETS</b>		
Cash	\$ 22,705	\$ 5,936
Due from constitutional officers	28,857	0
Due from other governmental units	1,717,049	0
Prepaid items	667,373	49,021
Total assets	<u>\$ 2,435,984</u>	<u>\$ 54,957</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Vouchers and contracts payable	\$ 62,341	\$ 0
Accrued wages and benefits payable	1,198,349	0
Due to other governmental units	1,175,294	0
Total liabilities	<u>\$ 2,435,984</u>	<u>\$ 0</u>
<b>Fund balances:</b>		
Restricted:		
Other purposes	\$ 0	\$ 54,957
Total fund balances	<u>\$ 0</u>	<u>\$ 54,957</u>
Total liabilities and fund balances	<u>\$ 2,435,984</u>	<u>\$ 54,957</u>

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

<u>10% Fine Fund</u>	<u>Court Related Technology</u>	<u>Total</u>
\$ 2,753	\$ 5,897	\$ 37,291
0	0	28,857
0	0	1,717,049
45,240	34,943	796,577
<u>\$ 47,993</u>	<u>\$ 40,840</u>	<u>\$ 2,579,774</u>
\$ 0	\$ 2,888	\$ 65,229
0	5,045	1,203,394
0	0	1,175,294
<u>\$ 0</u>	<u>\$ 7,933</u>	<u>\$ 2,443,917</u>
\$ 47,993	\$ 32,907	\$ 135,857
<u>\$ 47,993</u>	<u>\$ 32,907</u>	<u>\$ 135,857</u>
<u>\$ 47,993</u>	<u>\$ 40,840</u>	<u>\$ 2,579,774</u>

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<i>General</i>	<i>Records Modernization Trust</i>
REVENUES		
Intergovernmental revenues	\$ 6,363,219	\$ 0
Charges for services	10,785,824	283,001
Miscellaneous revenues	443,825	38
Total revenues	<u>\$ 17,592,868</u>	<u>\$ 283,039</u>
EXPENDITURES		
General government	\$ 19,631,825	\$ 437,162
Capital outlay	55,018	91,058
Total expenditures	<u>\$ 19,686,843</u>	<u>\$ 528,220</u>
Deficiency of revenues under expenditures	<u>\$ (2,093,975)</u>	<u>\$ (245,181)</u>
OTHER FINANCING SOURCES		
Transfers from constitutional officers	<u>\$ 2,093,975</u>	<u>\$ 0</u>
Net change in fund balances	\$ 0	\$ (245,181)
Fund balances - beginning	0	300,138
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 54,957</u></u>

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

<u>10% Fine Fund</u>	<u>Court Related Technology</u>	<u>Total</u>
\$ 0	\$ 0	\$ 6,363,219
432,538	813,628	12,314,991
109	1,067	445,039
<u>\$ 432,647</u>	<u>\$ 814,695</u>	<u>\$ 19,123,249</u>
 \$ 793,355	 \$ 928,194	 \$ 21,790,536
33,220	5,890	185,186
<u>\$ 826,575</u>	<u>\$ 934,084</u>	<u>\$ 21,975,722</u>
<u>\$ (393,928)</u>	<u>\$ (119,389)</u>	<u>\$ (2,852,473)</u>
 \$ 0	 \$ 0	 \$ 2,093,975
<u>\$ (393,928)</u>	<u>\$ (119,389)</u>	<u>\$ (758,498)</u>
441,921	152,296	894,355
<u><u>\$ 47,993</u></u>	<u><u>\$ 32,907</u></u>	<u><u>\$ 135,857</u></u>

## BREVARD COUNTY CLERK OF THE CIRCUIT COURT

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<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	\$ 5,299,088	\$ 5,299,088	\$ 6,363,219	\$ 1,064,131
Charges for services	12,890,239	12,788,644	10,785,824	(2,002,820)
Miscellaneous revenues	207,581	207,581	443,825	236,244
Total revenues	<u>\$ 18,396,908</u>	<u>\$ 18,295,313</u>	<u>\$ 17,592,868</u>	<u>\$ (702,445)</u>
EXPENDITURES				
General government	\$ 19,805,993	\$ 19,647,993	\$ 19,631,825	\$ 16,168
Capital outlay	0	55,500	55,018	482
Total expenditures	<u>\$ 19,805,993</u>	<u>\$ 19,703,493</u>	<u>\$ 19,686,843</u>	<u>\$ 16,650</u>
Deficiency of revenues under expenditures	<u>\$ (1,409,085)</u>	<u>\$ (1,408,180)</u>	<u>\$ (2,093,975)</u>	<u>\$ (685,795)</u>
OTHER FINANCING SOURCES				
Transfers from constitutional officers	\$ 2,093,975	\$ 1,943,975	\$ 2,093,975	\$ 150,000
Net change in fund balances	\$ 684,890	\$ 535,795	\$ 0	\$ (535,795)
Fund balances - beginning	0	0	0	0
Fund balances - ending	<u>\$ 684,890</u>	<u>\$ 535,795</u>	<u>\$ 0</u>	<u>\$ (535,795)</u>

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
 RECORDS MODERNIZATION TRUST  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<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	\$ 313,500	\$ 225,000	\$ 283,001	\$ 58,001
Miscellaneous revenues	0	0	38	38
Total revenues	\$ 313,500	\$ 225,000	\$ 283,039	\$ 58,039
EXPENDITURES				
General government	\$ 400,000	\$ 437,500	\$ 437,162	\$ 338
Capital outlay	150,000	91,500	91,058	442
Total expenditures	\$ 550,000	\$ 529,000	\$ 528,220	\$ 780
Deficiency of revenues under expenditures	\$ (236,500)	\$ (304,000)	\$ (245,181)	\$ 58,819
Net change in fund balances	\$ (236,500)	\$ (304,000)	\$ (245,181)	\$ 58,819
Fund balances - beginning	300,138	300,138	300,138	0
Fund balances - ending	\$ 63,638	\$ (3,862)	\$ 54,957	\$ 58,819

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
10% FINE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<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	\$ 484,211	\$ 520,400	\$ 432,538	\$ (87,862)
Miscellaneous revenues	0	0	109	109
Total revenues	<u>\$ 484,211</u>	<u>\$ 520,400</u>	<u>\$ 432,647</u>	<u>\$ (87,753)</u>
EXPENDITURES				
General government	\$ 634,915	\$ 793,500	\$ 793,355	\$ 145
Capital outlay	0	33,500	33,220	280
Total expenditures	<u>\$ 634,915</u>	<u>\$ 827,000</u>	<u>\$ 826,575</u>	<u>\$ 425</u>
Deficiency of revenues under expenditures	<u>\$ (150,704)</u>	<u>\$ (306,600)</u>	<u>\$ (393,928)</u>	<u>\$ (87,328)</u>
Net change in fund balances	<u>\$ (150,704)</u>	<u>\$ (306,600)</u>	<u>\$ (393,928)</u>	<u>\$ (87,328)</u>
Fund balances - beginning	<u>441,921</u>	<u>441,921</u>	<u>441,921</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 291,217</u></u>	<u><u>\$ 135,321</u></u>	<u><u>\$ 47,993</u></u>	<u><u>\$ (87,328)</u></u>

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



BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
COURT RELATED TECHNOLOGY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 1,019,000	\$ 867,421	\$ 813,628	\$ (53,793)
Miscellaneous revenues	0	0	1,067	1,067
Total revenues	<u>\$ 1,019,000</u>	<u>\$ 867,421</u>	<u>\$ 814,695</u>	<u>\$ (52,726)</u>
EXPENDITURES				
General government	\$ 1,072,700	\$ 928,700	\$ 928,194	\$ 506
Capital outlay	0	6,000	5,890	110
Total expenditures	<u>\$ 1,072,700</u>	<u>\$ 934,700</u>	<u>\$ 934,084</u>	<u>\$ 616</u>
Deficiency of revenues under expenditures	<u>\$ (53,700)</u>	<u>\$ (67,279)</u>	<u>\$ (119,389)</u>	<u>\$ (52,110)</u>
Net change in fund balances	<u>\$ (53,700)</u>	<u>\$ (67,279)</u>	<u>\$ (119,389)</u>	<u>\$ (52,110)</u>
Fund balances - beginning	<u>152,296</u>	<u>152,296</u>	<u>152,296</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 98,596</u></u>	<u><u>\$ 85,017</u></u>	<u><u>\$ 32,907</u></u>	<u><u>\$ (52,110)</u></u>

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2014

	<i>Agency Funds</i>
ASSETS	
Cash and equivalents	\$ 17,247,110
Investments in SBA	42,897
Other receivables	214,521
Total assets	<u>\$ 17,504,528</u>
LIABILITIES	
Due to individuals and others	\$ 925,831
Due to other governmental units	1,620,884
Escrow and refundable deposits	14,957,813
Total liabilities	<u>\$ 17,504,528</u>

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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 intergovernmental revenues, appropriations from the Board of County Commissioners, appropriations from the State of Florida, 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 the 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.

Governmental funds report fund balances either as non-spendable or spendable. Spendable balances are further classified as restricted, committed, assigned or unassigned, based on the extent to which there are external or internal constraints on the spending of these fund balances.

**Non-spendable Fund Balance** – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally items such as long-term amounts of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

**Spendable Fund Balance:**

- Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. As of September 30, 2014, the Clerk has a restricted fund balance of \$135,857 to be used for other purposes.
- Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Clerk. Commitments may be changed or lifted only by the Clerk taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- Assigned Fund Balance – Included spendable fund balance amounts established by the Clerk that are intended to be used for specific purposes and are neither considered restricted or committed.
- Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Clerk spends restricted amounts first, when both restricted and unrestricted fund balance is available, unless prohibited by legal documents, grant agreements or contracts. Additionally, the Clerk uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes of which amounts in any of the unrestricted fund balance classifications could be used.

The Clerk utilizes the following major 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.

**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.

**10% Fine Fund** - is used to account for the collection of 10 percent of all court-related fines to be used exclusively for additional clerk court-related operational needs and program enhancements, as set forth in Section 28.37, Florida Statutes.

The Clerk 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. Accordingly it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position.

Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting.

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2014</u>
<b>Governmental Activities:</b>				
Operating machinery and equipment	\$ 5,011,500	\$ 230,570	\$ 339,076	\$ 4,902,994
Less accumulated depreciation	<u>4,054,440</u>	<u>258,789</u>	<u>335,159</u>	<u>3,978,070</u>
Total governmental activities capital assets, net	<u>\$ 957,060</u>	<u>\$ (28,219)</u>	<u>\$ 3,917</u>	<u>\$ 924,924</u>

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. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the Clerk's fund financial statements. Prepaid items purchased by the Clerk of the Circuit Court are recorded as expenditures when consumed.

F. Investments

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

G. Accrued Compensated Absences

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

The Clerk of the Circuit Court accrued compensated absences were:

<u>Oct. 1, 2013</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2014</u>
\$1,954,276	\$289,597	\$196,736	\$2,047,137

The accrued compensated absence liability due within one year is estimated at \$217,225.

H. Use of Estimates

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

2. Cash and Investments

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

The total cash amount for the Clerk was \$17,272,226, and deposits with financial institutions were \$19,760,155. 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.	\$19,760,155
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The Clerk has a Petty Cash Fund of \$12,175.

On September 30, 2014, the Clerk had \$42,897 invested in State Board of Administration's Florida Prime.

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

3. Leases

The Clerk is obligated under noncancelable operating leases for office equipment through March 2017. Total cost for the year ended September 30, 2014, was \$135,908.

The future minimum lease payment is as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2015	\$ 123,750
2016	120,000
2017	60,000
Total minimum lease payable	<u>\$ 303,750</u>

4. Risk Management

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

5. Deferred Compensation

Refer to Note 21 in the County-wide Financial Statements.

6. Contingent Liabilities

A promissory note was executed by the former Clerk with HP Financial Services in October of 2012, after losing the primary election in August 2012. The balance of the note at the time the current Clerk ceased making payments was approximately \$5.88 million. The current Clerk asserts that the promissory note is not valid and that services and equipment were not received in consideration of the payment. The former Clerk and CEO of the company, that was the beneficiary of the note, have since been arrested on charges of bribery, bid tampering, and other related conspiracy charges. In addition, the former Clerk has been charged with official misconduct. A claim has been asserted against the Clerk of the Circuit Court for non-payment of the promissory note. In February 2014, a federal magistrate judge recommended the dismissal of HP's claim against the Clerk's office and others on jurisdictional grounds. In April 2014, HP filed an action in state court against the Clerk which remains pending.

7. Retirement

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

The Clerk's contributions for the years ending September 30, 2014, 2013, and 2012 were \$1,053,064, \$670,286, and \$449,027, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2014, represented 7.95% of covered payroll.

8. Other Postemployment Benefits

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

The following table shows the actuarial determined components of the Clerk of Circuit Court employee's portion of Brevard County's obligation as of September 30, 2012, 2013, and 2014 based on the current plan provisions:

	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>	<u>Sept. 30, 2014</u>
Annual required contribution	\$ 89,565	\$ 244,877	\$ 168,215
Interest on net OPEB contribution	80,000	44,822	16,551
Adjustment to annual required contribution	<u>(60,021)</u>	<u>(80,149)</u>	<u>(63,496)</u>
Annual OPEB cost (expense)	\$ 109,544	\$ 209,550	\$ 121,270
Contributions made	<u>(82,957)</u>	<u>(324,513)</u>	<u>(290,738)</u>
Increase (decrease) in net OPEB obligation	\$ 26,587	\$ (114,963)	\$ (169,468)
Net OPEB obligation - beginning of year	<u>1,916,795</u>	<u>1,943,382</u>	<u>1,828,419</u>
Net OPEB obligation - end of year	<u>\$ 1,943,382</u>	<u>\$ 1,828,419</u>	<u>\$ 1,658,951</u>

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

No trust or agency fund has been established for the plan; there were no adjustments to the annual required contribution or interest earnings.

Funded Status and Funding Progress - The contributions made for the fiscal years 2012, 2013, and 2014 were 75.7%, 154.9%, and 239.7%, respectively, of the annual OPEB cost. As of the October 1, 2013 actuarial valuation date, the actuarial accrued liability for benefits was \$6,876,903, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$13,251,045 and the ratio of the UAAL to the covered payroll was 51.9%.

9. Subsequent Event

The Brevard County Clerk of the Circuit Court has evaluated subsequent events through June 9, 2015, the date which the financial statements were available for issuance.

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS  
 FOR THE RETIREE HEALTH PLAN  
 SEPTEMBER 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 10,538,590	\$ 10,538,590	0.0%	\$ 14,703,003	71.7%
10/01/2008	\$ 0	\$ 10,538,590	\$ 10,538,590	0.0%	\$ 13,185,492	79.9%
10/01/2009	\$ 0	\$ 7,059,849	\$ 7,059,849	0.0%	\$ 12,557,778	56.2%
10/01/2010	\$ 0	\$ 7,262,415	\$ 7,262,415	0.0%	\$ 10,287,369	70.6%
10/01/2011	\$ 0	\$ 8,035,161	\$ 8,035,161	0.0%	\$ 8,972,055	89.6%
10/01/2012	\$ 0	\$ 8,327,803	\$ 8,327,803	0.0%	\$ 11,523,974	72.3%
10/01/2013	\$ 0	\$ 6,876,903	\$ 6,876,903	0.0%	\$ 13,251,045	51.9%



**BREVARD COUNTY**  
**CLERK OF THE CIRCUIT COURT**

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



**MANAGEMENT LETTER  
And  
MANAGEMENT COMMENTS AND RECOMMENDATIONS**



**MANAGEMENT'S RESPONSE**



**INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE**



**INDEPENDENT ACCOUNTANT'S REPORT ON CLERKS OF THE CIRCUIT  
COURT COMPLIANCE**

**SEPTEMBER 30, 2014**

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of each major fund of the Clerk of the Circuit Court of Brevard County, Florida ("the Clerk") as of and for the year ended September 30, 2014, and the related notes to the special-purpose financial statements, which collectively comprise the Clerk's special-purpose financial statements, and have issued our report thereon dated June 9, 2015.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Management Comments and Recommendations as item 13-02 that we consider to be a significant deficiency.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Clerk's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Clerk's Response to Findings**

The Clerk's response to the findings identified in our audit is described in the accompanying "Management's Response". We did not audit the Clerk's response and, accordingly, we express no opinion on it.

## **Purpose of this Report**

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

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

June 9, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

## MANAGEMENT LETTER

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

### Report on the Financial Statements

We have audited the special-purpose financial statements of the Clerk of the Circuit Courts of Brevard County, Florida ("the Clerk"), as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated June 9, 2015.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550 Rules of the Auditor General.

### Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated June 9, 2015, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report except as noted in the attachment to this letter "Management Comments and Recommendations" as 13-02 and 12-01.

### Official Title and Legal Authority

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

## **Other Matters**

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, a significant deficiency was noted in the attachment to this letter "Management Comments and Recommendations" as 13-02.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the special-purpose financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, a recommendation is noted in the attachment to this letter "Management Comments and Recommendations" as 12-01.

## **Purpose of this Letter**

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

June 9, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Current Year Comments and Recommendations**

For the year ended September 30, 2014, there were no management comments or recommendations.

**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Prior Year Comments and Recommendations**

**13-01 Capital Outlay - Corrected**  
*Material Weakness*

Criteria: Assets purchased that are within the minimum capitalization thresholds should be recorded as a capital outlay.

Condition: During the testing of repairs and maintenance expenses, we discovered several asset purchases that should have been recorded as a capital outlay.

Cause: The finance department was not aware of the asset purchases that should have been reclassified to capital outlay.

Effect: Repairs and maintenance expenses overstated and capital outlay understated.

Recommendation: We recommend that the departments communicate with the finance department to ensure that all assets purchased that are within the minimum capitalization requirements are properly recorded as a capital outlay.

Status as of September 30, 2014: The above issue has been corrected.

**13-02 Unrecorded Liabilities - Repeated**  
*Significant Deficiency*

Criteria: Expenses related to the fiscal year should be recorded as accounts payable.

Condition: During the testing of accounts payable, we discovered several expenses that were not recorded as accounts payable in the proper fiscal year.

Cause: Journal entries were not made by the finance department to record expenses as accounts payable in the proper fiscal year.

Effect: Expenses and accounts payable were understated.

Recommendation: We recommend that the departments communicate with the finance department and the finance department implement procedures to ensure that expenses are recorded as accounts payable in the proper fiscal year.

Status as of September 30, 2014: During the testing of accounts payable, we discovered several expenses that were not recorded as accounts payable in the proper fiscal year.

**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Prior Year Comments and Recommendations (continued)**

13-03 Article V - Reporting New Cases - Corrected

Criteria: Article V requires the Clerk to report the collection of new cases to the CCOC and new cases are required to be recorded on the Clerk's Docketing system within 3 days of initiation.

Condition: During testing of new cases for Article V compliance; (1) 1 case out of 25 was not properly included in the Collection Rate Audit submitted to the CCOC, (2) 1 case out of 25 was not recorded on the Clerk's Docketing system with in the required 3 days.

Cause: (1) A clerk error in recording the cash receipt in the system, (2) employees were in training for a week and were not available to enter case information into the Clerk's Docketing system.

Effect: Noncompliance with Article V.

Recommendation: (1) We recommend re-training staff in the proper recording on case related cash receipts, (2) schedule training to allow for adequate staff to perform required recording duties.

Status as of September 30, 2014: The above issue is no longer applicable as a result of the change in the statute requiring compliance with new case reporting to the Florida Clerks of Court Operations Corporation ("FCCOC").



**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Prior Year Comments and Recommendations (continued)**

12-01 Unclaimed property - Repeated

Criteria: According to Florida Statute 717.113 Property Held by Courts and Public Agencies, all intangible property held by any government or government agency that has not been claimed by the owner for more than 1 year after it became payable is presumed unclaimed. According to Florida Statute 717.117 Report of Unclaimed Property, a report of unclaimed property must be filed by the holder before May 1st of each year which applies to the preceding calendar year and then submitted to the State. The organization is required to use due diligence and send written notice to the owner, but only if the address isn't known as being inaccurate. This notice must occur no less than 60 days and no more than 120 days prior to filing the report.

Condition: During the testing of cash, several outstanding checks totaling \$3,308 from the Payroll Account, Child Support Account, and Pooled/Agency accounts that were over two years old and were not reported as unclaimed property.

Cause: Timely review of outstanding checks was not done.

Effect: Noncompliance with the statutes could result in assessed fines and penalties by the State.

Recommendation: We recommend review of the Clerk's policy and State statute for unclaimed property and that all unclaimed property fitting the requirements are included on the Clerk's annual Report of Unclaimed Property to the State.

Status as of September 30, 2013: During the testing of cash, several outstanding checks totaling \$3,851 from the Payroll Account, Child Support Account, AP Account, and Pooled/Agency accounts were over two years old and were not reported as unclaimed property.

Status as of September 30, 2014: During the testing of cash, several outstanding checks totaling \$1,534 from the Payroll Account and Pooled/Agency accounts were over two years old and were not reported as unclaimed property.

**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Prior Year Comments and Recommendations (continued)**

**11-02 Jury Output - Corrected**

Criteria: FS Section 28.35(2)(d) requires the Clerk to meet performance standards developed by the FCCOC for the number of jurors summoned and the number of juror payments issued.

Condition: The total population of jurors summoned and juror payments for the period of 10/1/10 - 6/30/11 could not be obtained and a sample could not be selected.

Cause: Implementation of a new jury management system that could not produce the juror summons and payment population to verify counts reported to the Florida Clerks of Court Operations Corporation ("FCCOC").

Effect: The performance measures for juror summons and juror payments could not be verified as reported to the "FCCOC" and tested.

Recommendation: We recommend the Clerk implement a system for obtaining the supporting data to verify jurors summoned and juror payments to counts reported to the "FCCOC".

Status as of September 30, 2012: The total population of jurors summoned and juror payments for the period of 7/1/11 - 6/30/12 could not be agreed to the jury counts reported to the "FCCOC."

Status as of September 30, 2013: The juror summons could not be agreed to the jury counts reported to the "FCCOC," however, the juror payments was agreed to the juror counts reported.

Status as of September 30, 2014: The above issue is no longer applicable as a result of the change in the statute requiring compliance with jury output reporting to the "FCCOC".

**10-03 Improve review process - Corrected**

***Significant Deficiency***

Criteria: Management/supervisor review of the transaction(s) and reporting process(es) is a component of a strong internal control environment.

## **Brevard County Clerk of the Circuit Court**

### **MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

#### **Prior Year Comments and Recommendations (continued)**

##### 10-03 Improve review process - Corrected (continued)

##### *Significant Deficiency*

Condition: During our testing of the financial statement and the Article V compliance we identified the following conditions that should have been caught and corrected during the review process. (1) a change in the VAB policy resulted in a liability not being reclassified to revenues in a timely manner; (2) Article V Performance Measures for collection reporting had one instance out of twenty-five cases tested and the assessment/collection amounts for 12 out of 72 reporting periods for all court types in which the data used to prepare the report(s) could not be recreated or hard copy audits provided to verify amounts reported to the Florida Clerks of Court Operations Corporation ("FCCOC"); (3) cash receipt test of controls had one instance out of forty in which a fee charged was the incorrect amount per Florida Statute; (4) Article V revenues remitted to the Florida Department of Revenue (FDOR) were incorrectly reported for several months to the "FCCOC"; (5) one site subscription agreement that crossed fiscal years was expensed completely in 2010 when 87% of the agreement is for 2011; (6) seven instances in reporting the case output measures for Article V were incorrectly reported due to transposing and/or manually keying in the data for the report submitted to the "FCCOC".

Cause: (1) The liability account analysis/reconciliation should have identified the balance not clearing within a timely manner and it should have been researched; (2) the one instance out of twenty-five was the result of a programming error for reporting the Civil Traffic collection rates and the audit reports that were generated at the same time as the summary report could not be located; (3) Florida Statute 322 increased the fee effective July 1, 2010. The fee schedule table in FACTs was not changed until July 2, 2010 due to one person being responsible for making the change(s); (4) an upgrade to the FACTs tables required dual entry into both the old and new FACTs tables prior to the new system going live. New agency codes for collecting and distributing fees were added to the old FACTs tables, but were not included in the new FACTs tables when the system went live which resulted in all the fees collected for the new agencies to be remitted to the FDOR and reported to the "FCCOC" until one of the new agencies called inquiring about missing distributions. One month included bond forfeiture/remissions fees and annual unclaimed property-advertised in the paper fees from prior months to be remitted to the FDOR and reported to the "FCCOC"; (5) service agreements have always been expensed in the year invoiced, regardless of the periods, as a recurring expense that would not have an impact on the annual reporting; (6) the report is prepared and submitted by the same person with no review for accuracy.

Effect: The financial statement can be materially misstated; the fees remitted and reported could impact the State of Florida's evaluation of funds available for appropriation to the Clerks of Circuit Court's operations, and the output measures used by the FCCOC to calculate the service units provided will impact the evaluation of the Clerk's performance.

Recommendation: We recommend the processes used for the entering and extraction of data from FACTs and the preparation of required reports and financial statements be reviewed for implementation and/or improved review by supervisors and/or management prior to submitting.

**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Prior Year Comments and Recommendations (continued)**

10-03 Improve review process - Corrected (continued)  
*Significant Deficiency*

Status as of September 30, 2011:

- (1) The above issue has been corrected.
- (2) The above issue has been corrected.
- (3) The above issue has been corrected.
- (4) The above issue has been corrected.
- (5) The above issue has been corrected.
- (6) Four instances in reporting the case output measures for Article V were incorrectly reported due to transposing and/or manually keying in the data for the report submitted to the "FCCOC".

Status as of September 30, 2012:

- (1) The above issue has been corrected (FY 2011).
- (2) The above issue has been corrected (FY 2011).
- (3) The above issue has been corrected (FY 2011).
- (4) The above issue has been corrected (FY 2011).
- (5) The above issue has been corrected (FY 2011).
- (6) One instance in reporting the case output measures for Article V were incorrectly reported due to transposing and/or manually keying in the data for the report submitted to the "FCCOC".

Status as of September 30, 2013:

- (1) The above issue has been corrected (FY 2011).
- (2) The above issue has been corrected (FY 2011).
- (3) The above issue has been corrected (FY 2011).
- (4) The above issue has been corrected (FY 2011).
- (5) The above issue has been corrected (FY 2011).
- (6) Seven instances in reporting the case output measures and one instance of reporting the financial receipt issued for Article V were incorrectly reported due to transposing and/or manually keying in the data for the report submitted to the "FCCOC".

**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Prior Year Comments and Recommendations (continued)**

10-03 Improve review process - Corrected (continued)  
*Significant Deficiency*

Status as of September 30, 2014:

- (1) The above issue has been corrected (FY 2011).
- (2) The above issue has been corrected (FY 2011).
- (3) The above issue has been corrected (FY 2011).
- (4) The above issue has been corrected (FY 2011).
- (5) The above issue has been corrected (FY 2011).
- (6) The above issue is no longer applicable as a result of the change in the statute requiring compliance with case output measure and financial receipt reporting to the "FCCOC".

08-02 Follow-up on cases with balances due - Corrected

Criteria: Florida Statute 28.246 requires the Clerk of Courts to pursue the collection of unpaid court-related balances greater than ninety days.

Condition: Two cases out of a sample of 25 with court-related balances greater than ninety days had not been assigned for collection. A total population of 296,388 cases from 1960 to 2008 with unpaid balances of \$117 million was requested for testing.

Cause: One case was excluded from collection due to an event code that was not updated for the change in requirements. The other case was excluded from collection due to a suspension process that was not run on December 30, 2005 due to the holidays. As a result, the suspension transmission date was not updated to the case and thus was excluded from the collection process.

Effect: Unpaid case balances that are not collected and not recorded as revenue.

**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Prior Year Comments and Recommendations (continued)**

**08-02 Follow-up on cases with balances due - Corrected (continued)**

Recommendation: Implement a reconciliation of unpaid case balances recorded in the FACTs database with the cases assigned to the collection agencies as they are assigned. In addition a review process of the scripts used to generate the cases for collection should be implemented to address any changes in statutes, event codes, etc. Based on the two cases that were excluded from the collection process, the Clerk performed an additional search and identified ten additional cases that were excluded from the collection process as a result of the failure to run the suspension process. The Clerk has implemented changes to the script processes to correct the omissions in the scripts that caused the above condition.

Status as of September 30, 2009: (1) Four cases with court-related balances greater than ninety days had not been assigned for collection due to the script necessary to identify the cases had not been completed. (2) One case with court-related balances greater than ninety days had not been assigned to collection due to the interpretation of the statute as to balances due to the Clerk only or all balances due. (3) One case with court-related balances greater than ninety days had not been assigned to collection due to a lack of staff to pursue collection of civil case balances. Six out of a sample of 25 cases had exceptions. A total population of 311,705 cases from 1960 to 2009 with unpaid balances of \$132 million was requested for testing.

Status as of September 30, 2010: (1) Three cases with court-related balances greater than ninety days had not been assigned for collection due to the script necessary to identify the cases had not been completed. (2) Two cases with court-related balances greater than ninety days had not been assigned for collection and the driver's licenses had not been suspended per F.S. 322.245 due to programming script exceptions. (3) One case with court-related balances greater than ninety days had not been assigned to collection due to a lack of staff to pursue collection of civil case balances. (4) Two civil cases with balances greater than ninety days was determined to be the result of refunds that were assigned to the case and the overpayment cash receipt was not assigned to the case leaving a balance due. Eight out of a sample of 25 cases had exceptions. A total population of 326,576 cases from 1960 to 2010 with unpaid balances of \$142 million was requested for testing.

Status as of September 30, 2011: (1) Three cases with court-related balances greater than ninety days had not been assigned for collection due to the script necessary to identify the cases had not been completed. (2) One case with court-related balance greater than ninety days had not been assigned for collection due to a Clerk policy to not send active probation cases to collection agency. Four out of a sample of 25 cases had exceptions. A total population of 333,806 cases from 1968 to 2011 with unpaid balances of \$152 million was requested for testing.

Status as of September 30, 2012: Three cases with court-related balances greater than ninety days had not been assigned for collection due to the script necessary to identify the cases had not been completed. Three out of a sample of 25 cases had exceptions. A total population of 341,371 cases from 1970 to 2012 with unpaid balances of \$159 million was requested for testing.

**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Prior Year Comments and Recommendations (continued)**

**08-02 Follow-up on cases with balances due - Corrected (continued)**

Status as of September 30, 2013: One case was not sent to collection due to a program not being available to identify when a defendant was released from incarceration and should be sent to collection. One out of a sample of 25 cases had exceptions. A total population of 345,767 cases from 1970 to 2013 with unpaid balances of \$165 million was requested for testing.

Status as of September 30, 2014: Twelve cases with court-related balances greater than ninety days initially had not been assigned for collection in accordance with the timing requirements found in Florida Statute 28.246 due to programming issues; however, as of the end of the fiscal year, all of the cases had been reported to collections. A total population of 340,450 cases from 1970 to 2014 with unpaid balances of \$175 million was requested for testing.

**08-05 Article V - Timeliness Rate Output Measures - Corrected**

Criteria: Article V compliance with performance measures requires that the timeliness rate outcome measures are comparable to the actual performance measures reported by the Clerk to the performance standards included on the Clerk's budget documents.

Condition: Two jurors out of 25 samples selected received payment for service greater than 20 days after the last day of juror service.

Cause: Clerk staff incorrectly entered the jurors notices marked "Retired" as "Employer pays..." into the juror payment system.

Effect: Jurors were not compensated for juror service in a timely manner.

Recommendation: Management should re-train Clerk staff and / or add a review process.

Status as of September 30, 2009: Four jurors out of 25 did not receive payment within the 20 days per Chapter 40.32, Florida Statutes. The Clerk staff incorrectly entered the jurors notices marked "Retired" or "Unemployed" as "Employer pays..." into the juror payment system.

Status as of September 30, 2010: Three jurors out of 25 did not receive payment within the 20 days per Chapter 40.32, Florida Statutes. The Clerk staff incorrectly entered two of the jurors notices marked "Retired," "Unemployed" or "Employer does not pay regular wages during jury service" as "Employer pays regular wages during jury service" into the juror payment system. The incorrect entry into the system resulted in the Timeliness Rate Output Measure for juror payments reported to the Florida Clerks of Court Operations Corporation to be incorrect. One of the juror summons could not be located to verify the Juror Compensation marked and agree to the explanation reported to the Florida Clerks of Court Operations Corporation.

**Brevard County Clerk of the Circuit Court**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Prior Year Comments and Recommendations (continued)**

08-05 Article V - Timeliness Rate Output Measures - Corrected (continued)

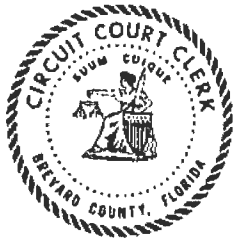
Status as of September 30, 2011: Juror summons and juror payments population could not be obtained due to implementation of a new juror management system. The new system has been experiencing errors resulting in incorrect data provided for reporting. Testing counts reported to the "FCCOC" and testing juror payment transactions for timely payments could not be performed. Finding is repeated.

Status as of September 30, 2012: Juror summons and juror payments population could not be agreed to the counts reported, thus a sample was not tested. Testing counts reported to the "FCCOC" and testing juror payment transactions for timely payments could not be performed.

Status as of September 30, 2013: Juror summons population could not be agreed to the counts reported, thus a sample was not tested. Testing counts reported to the "FCCOC" could not be performed.

Status as of September 30, 2014: The above issue is no longer applicable as a result of the change in the statute requiring compliance with jury timeliness reporting to the "FCCOC".





**Clerk of the Circuit Court Brevard County, Florida**

*400 South Street, P.O. Box 999, Titusville, Florida 32781-0999*

*Telephone (321) 637-2002, FAX (321) 225-3051*

<http://www.brevardclerk.us>

**Scott Ellis, Clerk**

June 18, 2015

Honorable David W. Martin, CPA, Auditor General

State of Florida

Claude Denson Pepper Building

111 West Madison Street

Tallahassee, FL 32399-1450

Re: Response to External Audit Comments

Dear Sir:

In accordance with Section 11.45, Florida Statutes, and Chapter 10.550, Rules of the Auditor General, this is to provide my written statement of explanation or rebuttal concerning the auditor's comments, including corrective action plan.

Finding 13-02 Unrecorded Liabilities - Repeated

Agreed

Finding 12-01 Unclaimed Property - Repeated

Agreed

Sincerely,

Scott Ellis

Clerk of Courts

400 South Street, 3rd Floor, Titusville, FL 32780

Post Office Box 1496, Titusville, FL 32781-1496

Telephone: (321) 637-2002 Fax: (321) 264-5227

**[michael.salvatore@brevardclerk.us](mailto:michael.salvatore@brevardclerk.us)**

<http://www.brevardclerk.us>

## INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

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

We have examined the Brevard County Clerk of the Circuit Court's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2014. Management is responsible for the Brevard County Clerk of the Circuit Court's compliance with those requirements. Our responsibility is to express an opinion on the Brevard County Clerk of the Circuit Court's compliance based on our examination.

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

In our opinion, Brevard County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

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

Melbourne, Florida  
June 9, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

**INDEPENDENT ACCOUNTANT'S REPORT ON CLERKS OF THE CIRCUIT COURT  
COMPLIANCE**

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

We have examined the Brevard County Clerk of the Circuit Court's compliance with Sections 28.35 and 28.36, Florida Statutes, for the year ended September 30, 2014. Management is responsible for the Brevard County Clerk of the Circuit Court's compliance with those requirements. Our responsibility is to express an opinion on the Brevard County Clerk of the Circuit Court's compliance based on our examination.

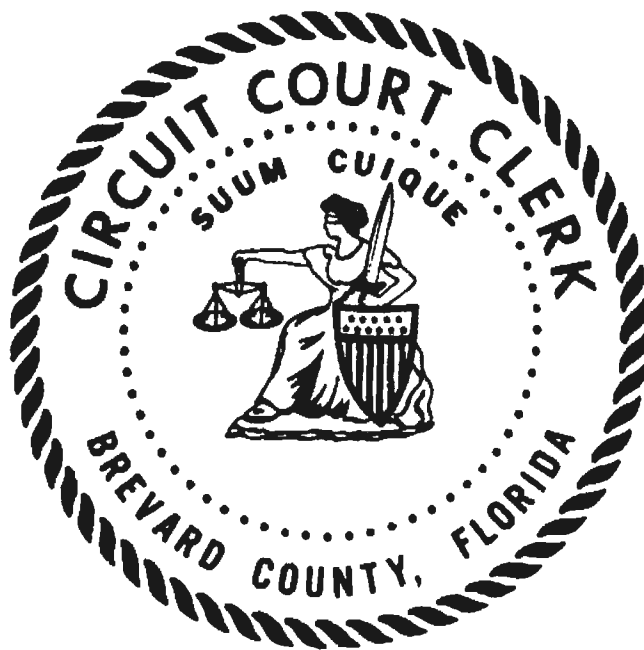
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Brevard County Clerk of the Circuit Court's compliance with those requirements and performing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

In our opinion, Brevard County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

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

Melbourne, Florida  
June 9, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*



# TAX COLLECTOR

BREVARD COUNTY TAX COLLECTOR

SEPTEMBER 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditor's Report	1
Fund Financial Statements:	
Balance Sheet – Governmental Funds	4
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	5
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual General Fund	6
Statement of Fiduciary Net Position – Fiduciary Funds	7
Notes to the Special-Purpose Financial Statements	8
Required Supplementary Information:	
Schedule of Funding Progress for the Retiree Health Plan	13
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	16
MANAGEMENT LETTER And MANAGEMENT COMMENTS AND RECOMMENDATIONS	18
INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE	21



## INDEPENDENT AUDITOR'S REPORT

To The Honorable Lisa Cullen  
Brevard County Tax Collector  
Brevard County, Florida

### Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Tax Collector of Brevard County, Florida (the "Tax Collector"), as of and for the year ended September 30, 2014, which collectively comprise the Tax Collector's special-purpose financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the 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 financial statements are free from material misstatement.

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

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



As discussed in Note 1-B, 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, the *Rules of the Auditor General*, State of Florida, and present only the financial position of the Tax Collector at September 30, 2014, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2014, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Opinion***

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the Tax Collector as of September 30, 2014 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the schedule of funding progress for the retiree health plan, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2015, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

May 27, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

BREVARD COUNTY  
TAX COLLECTOR

**FUND FINANCIAL STATEMENTS**

SEPTEMBER 30, 2014



BREVARD COUNTY TAX COLLECTOR  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<u>General</u>
ASSETS	
Cash	\$ 4,535,461
Account receivable	486
Due from other governmental units	9,554
Total assets	<u>\$ 4,545,501</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Vouchers and contracts payable	\$ 89,084
Accrued wages and benefits payable	294,472
Due to constitutional officers	4,094,092
Due to other governmental units	67,853
Total liabilities	<u>\$ 4,545,501</u>
Fund balance	<u>\$ 0</u>
Total liabilities and fund balance	<u>\$ 4,545,501</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 BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>General</u>
REVENUES	
Charges for services	\$ 14,622,654
Miscellaneous revenues	99,005
Total revenues	<u>\$ 14,721,659</u>
EXPENDITURES	
General government	<u>\$ 10,581,733</u>
Excess of revenues over expenditures	<u>\$ 4,139,926</u>
OTHER FINANCING USES	
Transfers to constitutional officers and other governmental units	<u>\$ (4,139,926)</u>
Net change in fund balance	\$ 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

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<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	\$ 14,401,770	\$ 14,622,870	\$ 14,622,654	\$ (216)
Miscellaneous revenues	70,200	98,500	99,005	505
Total revenues	<u>\$ 14,471,970</u>	<u>\$ 14,721,370</u>	<u>\$ 14,721,659</u>	<u>\$ 289</u>
EXPENDITURES				
General government	<u>\$ 10,809,954</u>	<u>\$ 10,885,142</u>	<u>\$ 10,581,733</u>	<u>\$ 303,409</u>
Excess of revenues over expenditures	<u>\$ 3,662,016</u>	<u>\$ 3,836,228</u>	<u>\$ 4,139,926</u>	<u>\$ 303,698</u>
OTHER FINANCING USES				
Transfers to constitutional officers and other governmental units	<u>\$ (3,662,016)</u>	<u>\$ (3,836,228)</u>	<u>\$ (4,139,926)</u>	<u>\$ (303,698)</u>
Net change in fund balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balance - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance - 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 TAX COLLECTOR  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2014

	<i>Agency Funds</i>
ASSETS	
Cash and equivalents	\$ 9,686,457
Other receivables	306,619
Due from other governmental units	3,305
Total assets	<u>\$ 9,996,381</u>
LIABILITIES	
Due to individuals and others	\$ 659,883
Due to other governmental units	2,702,029
Prepaid taxes	6,634,469
Total liabilities	<u>\$ 9,996,381</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, 2014

I. 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 (ninety days for intergovernmental revenue).

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 insurance, 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 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.

Governmental funds report fund balances either as non-spendable or spendable. Spendable balances are further classified as restricted, committed, assigned or unassigned, based on the extent to which there are external or internal constraints on the spending of these fund balances.

**Non-spendable Fund Balance** – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally items such as long-term amounts of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

BREVARD COUNTY TAX COLLECTOR  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

**Spendable Fund Balance:**

- Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Tax Collector. Commitments may be changed or lifted only by the Tax Collector taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- Assigned Fund Balance – Included spendable fund balance amounts established by the Tax Collector that are intended to be used for specific purposes and are neither considered restricted or committed.
- Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Tax Collector spends restricted amounts first, when both restricted and unrestricted fund balance is available, unless prohibited by legal documents, grant agreements or contracts. Additionally, the Tax Collector uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes of which amounts in any of the unrestricted fund balance classifications could be used.

The Tax Collector utilizes the following major fund:

**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.

The Tax Collector also reports the following fund type:

**Agency Funds** - Agency funds are clearing accounts for assets held by a government as an agent for individuals, private organizations, or other governments. 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. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position.

Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting.

C. Budget

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



BREVARD COUNTY TAX COLLECTOR  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

D. Capital Assets

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

	<u>Oct. 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2014</u>
<b>Governmental Activities:</b>				
Operating machinery and equipment	\$ 2,580,966	\$ 1,855,609	\$ 513,234	\$ 3,923,341
Less accumulated depreciation	<u>2,072,145</u>	<u>523,118</u>	<u>378,593</u>	<u>2,216,670</u>
Total governmental activities capital assets, net	<u>\$ 508,821</u>	<u>\$ 1,332,491</u>	<u>\$ 134,641</u>	<u>\$ 1,706,671</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. K. in the County-wide Financial Statements.

F. Accrued Compensated Absences

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

The Tax Collector accrued compensated absences were:

<u>Oct. 1, 2013</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2014</u>
\$1,046,375	\$237,358	\$81,587	\$1,202,146

The accrued compensated absence due within one year is estimated at \$70,126.

G. Use of Estimates

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

2. Cash and Investments

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

The total cash amount for the Tax Collector was \$14,221,918, and deposits with financial institutions were \$14,100,065. 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. \$14,100,065

Included in the total cash amount is Petty Cash/Change Funds of \$20,400 which represent both book and market value.

3. Leases

The Tax Collector is obligated under two noncancelable operating leases for office equipment through December 2015. Total cost for the year ended September 30, 2014, was \$47,619.

BREVARD COUNTY TAX COLLECTOR  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

The future minimum lease payment is as follows:

Year Ended <u>September 30</u>	<u>Amount</u>
2015	\$ 45,325
2016	34,057
2017	30,301
2018	30,301
2019	22,726
Total minimum lease payable	<u>\$ 162,710</u>

The Tax Collector leases two office facilities under noncancelable operating leases. Total costs for the leases were \$200,992 for the year ended September 30, 2014. The future minimum lease payments are as follows:

Year Ended <u>September 30</u>	<u>Amount</u>
2015	\$ 211,627
2016	211,588
2017	158,610
2018	161,797
2019	165,053
2020 - 2023	633,638
Total minimum lease payable	<u>\$ 1,542,313</u>

4. Risk Management

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

5. Deferred Compensation

Refer to Note 21 in the County-wide Financial Statements.

6. Retirement

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

The Tax Collector's contributions for the years ending September 30, 2014, 2013, and 2012 were \$546,390, \$335,997, and \$272,168 respectively, which equal the required contributions for each year. Contributions for the year ending September 30, 2014, represented 9.51% of covered payroll.

7. Other Postemployment Benefits

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

BREVARD COUNTY TAX COLLECTOR  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

The following table shows the actuarial determined components of the Tax Collector employee's portion of Brevard County's obligation as of September 30, 2012, 2013, and 2014 based on the current plan provisions:

	Sept. 30, 2012	Sept. 30, 2013	Sept. 30, 2014
Annual required contribution	\$ 407,418	\$ 250,459	\$ 96,254
Interest on net OPEB contribution	17,914	19,154	10,172
Adjustment to annual required contribution	(32,033)	(34,250)	(39,025)
Annual OPEB cost (expense)	\$ 393,299	\$ 235,363	\$ 67,401
Contributions made	(172,386)	(175,834)	(125,874)
Increase (decrease) in net OPEB obligation	\$ 220,913	\$ 59,529	\$ (58,473)
Net OPEB obligation - beginning of year	736,781	957,694	1,017,223
Net OPEB obligation - end of year	<u>\$ 957,694</u>	<u>\$ 1,017,223</u>	<u>\$ 958,750</u>

No trust or agency fund has been established for the plan; there were no adjustments to the annual required contribution or interest earnings.

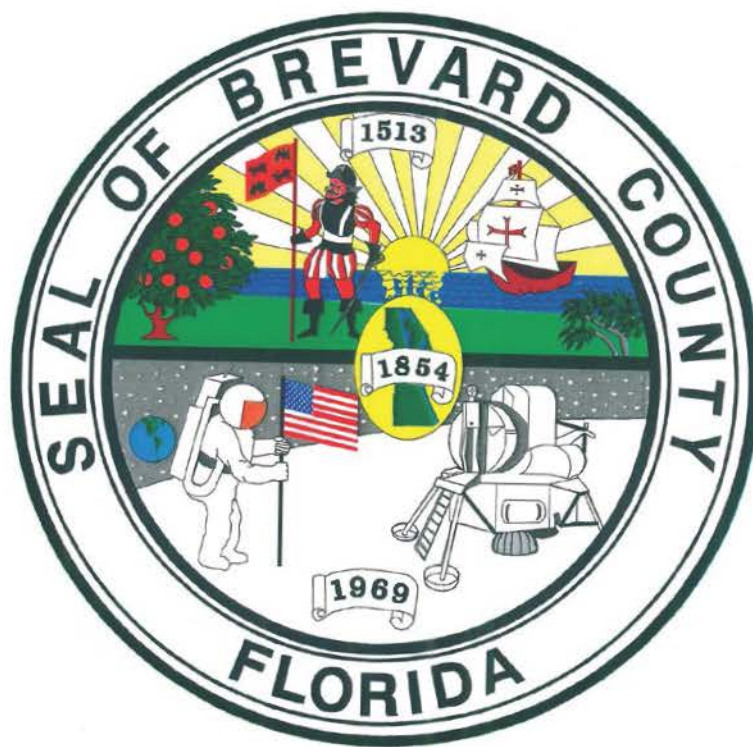
Funded Status and Funding Progress - The contributions made for the 2012, 2013, and 2014 fiscal years were 43.8%, 74.7%, and 186.8% respectively, of the annual OPEB cost. As of the October 1, 2013 actuarial valuation date, the actuarial accrued liability for benefits was \$1,613,980, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$5,745,570 and the ratio of the UAAL to the covered payroll was 28.1%.

8. Subsequent Event

The Brevard County Tax Collector has evaluated subsequent events through May 27, 2015, the date which the financial statements were issued.

BREVARD COUNTY TAX COLLECTOR  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
FOR THE RETIREE HEALTH PLAN  
SEPTEMBER 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 5,106,884	\$ 5,106,884	0.0%	\$ 4,976,103	102.6%
10/01/2008	\$ 0	\$ 5,106,884	\$ 5,106,884	0.0%	\$ 4,713,448	108.3%
10/01/2009	\$ 0	\$ 3,724,499	\$ 3,724,499	0.0%	\$ 4,941,339	75.3%
10/01/2010	\$ 0	\$ 3,796,616	\$ 3,796,616	0.0%	\$ 5,092,010	74.6%
10/01/2011	\$ 0	\$ 4,288,364	\$ 4,288,364	0.0%	\$ 5,236,137	81.9%
10/01/2012	\$ 0	\$ 4,292,073	\$ 4,292,073	0.0%	\$ 5,326,237	80.6%
10/01/2013	\$ 0	\$ 1,613,980	\$ 1,613,980	0.0%	\$ 5,745,570	28.1%



**BREVARD COUNTY**  
**TAX COLLECTOR**

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



**MANAGEMENT LETTER  
And  
MANAGEMENT COMMENTS AND RECOMMENDATIONS**



**INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE**

SEPTEMBER 30, 2014

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

To The Honorable Lisa Cullen  
Brevard County Tax Collector  
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Tax Collector of Brevard County, Florida (the "Tax Collector"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Tax Collector's special-purpose financial statements and have issued our report thereon dated May 27, 2015.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Tax Collector's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

Melbourne, Florida  
May 27, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*



## MANAGEMENT LETTER

The Honorable Lisa Cullen  
Brevard County Tax Collector  
Brevard County, Florida

### Report on the Financial Statements

We have audited the special-purpose financial statements of the Brevard County Tax Collector (the "Tax Collector"), as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated May 27, 2015.

### Auditor's Responsibility

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

### Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated May 27, 2015, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Official Title and Legal Authority

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

## **Other Matters**

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

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

## **Purpose of this Letter**

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

May 27, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

## **Brevard County Tax Collector**

### **MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

#### **Current Year**

For the year ended September 30, 2014, there are no management comments or recommendations.

#### **Prior Year**

For the year ended September 30, 2013, there are no management comments or recommendations.

## INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

Honorable Lisa Cullen  
Brevard County Tax Collector  
Brevard County, Florida

We have examined the Brevard County Tax Collector's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2014. Management is responsible for Brevard County Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on Brevard County Tax Collector's compliance based on our examination.

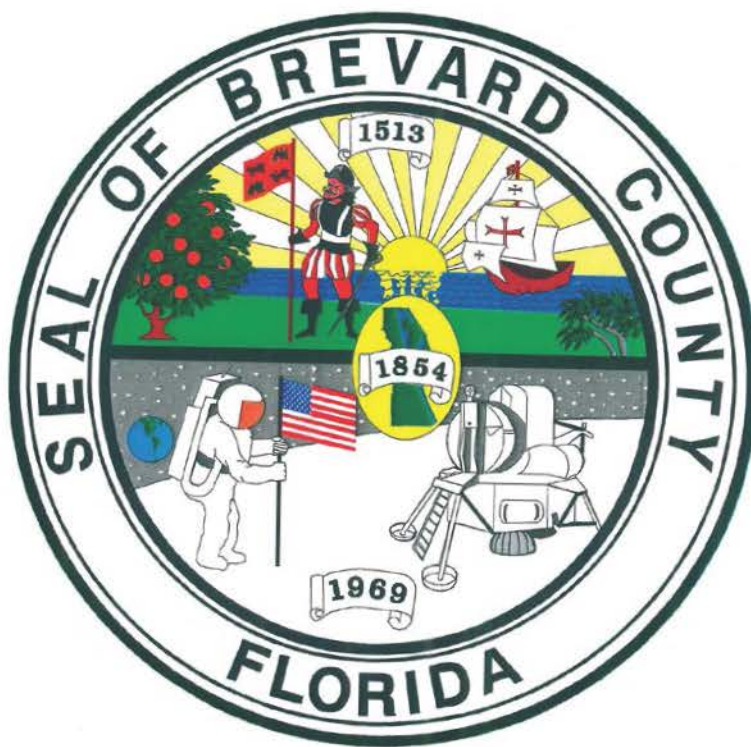
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Brevard County Tax Collector's compliance with those requirements and performing such other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

In our opinion, Brevard County Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

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

Melbourne, Florida  
May 27, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*



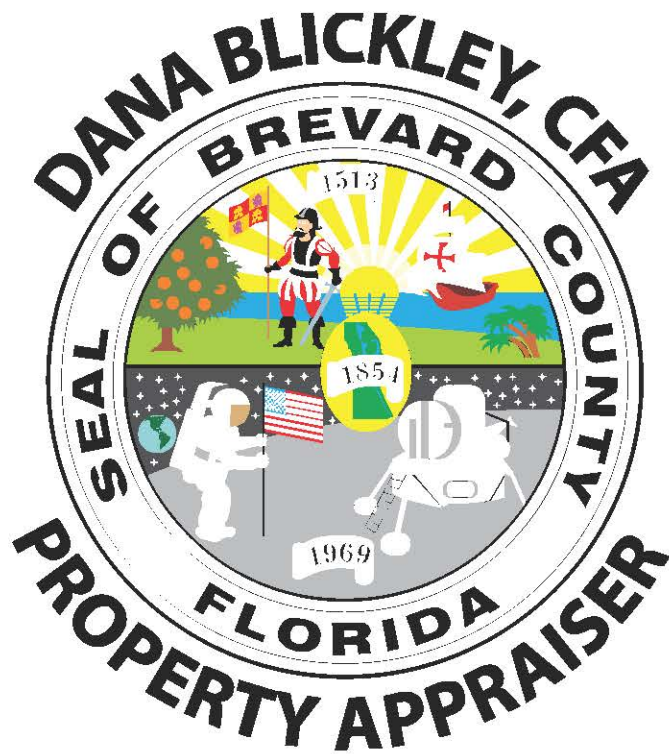
# PROPERTY APPRAISER

BREVARD COUNTY PROPERTY APPRAISER

SEPTEMBER 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditor's Report	1
Fund Financial Statements:	
Balance Sheet - Governmental Funds	4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	5
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual General Fund	6
Notes to the Special-Purpose Financial Statements	7
Required Supplementary Information	
Schedule of Funding Progress for the Retiree Health Plan	12
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	14
MANAGEMENT LETTER And MANAGEMENT COMMENTS AND RECOMMENDATIONS	16
INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE	19





## INDEPENDENT AUDITOR'S REPORT

To the Honorable Dana Blickley  
Brevard County Property Appraiser  
Brevard County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special-purpose financial statements of the Property Appraiser of Brevard County, Florida (the "Property Appraiser"), as of and for the year ended September 30, 2014, which collectively comprise the Property Appraiser's special-purpose financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinion on the 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 financial statements are free from material misstatement.

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

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

As discussed in Note 1-B, 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, the *Rules of the Auditor General*, State of Florida, and present only the financial position of the Property Appraiser at September 30, 2014, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2014, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Opinion***

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the Property Appraiser as of September 30, 2014 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the schedule of funding progress for the retiree health plan, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2015, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

May 8, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

**BREVARD COUNTY  
PROPERTY APPRAISER**

**FUND FINANCIAL STATEMENTS**

SEPTEMBER 30, 2014



BREVARD COUNTY PROPERTY APPRAISER  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<i>General</i>
ASSETS	
Cash	\$ 590,846
Prepaid expenses	36,973
Total assets	<u>\$ 627,819</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 23,452
Accrued wages and benefits payable	167,054
Due to board and constitutional officers	9,718
Due to other governmental units	213
Unearned revenue-other	427,382
Total liabilities	<u>\$ 627,819</u>
Fund balance	<u>\$ 0</u>
Total liabilities and fund balance	<u>\$ 627,819</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 BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>General</u>
REVENUES	
Charges for services	\$ 544,128
EXPENDITURES	
General government	\$ 8,993,577
Deficiency of revenues under expenditures	<u>\$ (8,449,449)</u>
OTHER FINANCING SOURCES AND (USES)	
Transfers from constitutional officers and other governmental units	\$ 8,459,380
Transfers to constitutional officers and other governmental units	<u>(9,931)</u>
Total other financing sources and (uses)	<u>\$ 8,449,449</u>
Net change in fund balance	\$ 0
Fund balance - beginning	\$ 0
Fund balance - ending	<u><u>\$ 0</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 BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<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	\$ 185,242	\$ 185,242	\$ 544,128	\$ 358,886
EXPENDITURES				
General government	\$ 8,644,622	\$ 8,634,691	\$ 8,993,577	\$ (358,886)
Deficiency of revenues under expenditures	\$ (8,459,380)	\$ (8,449,449)	\$ (8,449,449)	\$ 0
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers and other governmental units	\$ 8,459,380	\$ 8,459,380	\$ 8,459,380	\$ 0
Transfers to constitutional officers and other governmental units	0	0	(9,931)	(9,931)
Total other financing sources and (uses)	\$ 8,459,380	\$ 8,459,380	\$ 8,449,449	\$ (9,931)
Net change in fund balance	\$ 0	\$ 9,931	\$ 0	\$ (9,931)
Fund balance - beginning	\$ 0	\$ 0	\$ 0	\$ 0
Fund balance - ending	\$ 0	\$ 9,931	\$ 0	\$ (9,931)

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, 2014

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.

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.

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Brevard County Property Appraiser is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

**Non-spendable Fund Balance** – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally items such as long-term amounts of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

BREVARD COUNTY PROPERTY APPRAISER  
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

**Spendable Fund Balance:**

- Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Property Appraiser. Commitments may be changed or lifted only by the Property Appraiser taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- Assigned Fund Balance – Included spendable fund balance amounts established by the Property Appraiser that are intended to be used for specific purposes and are neither considered restricted or committed.
- Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Property Appraiser spends restricted amounts first, when both restricted and unrestricted fund balance is available, unless prohibited by legal documents, grant agreements or contracts. Additionally, the Property Appraiser uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes of which amounts in any of the unrestricted fund balance classifications could be used.

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. Capital Assets

Refer to Note 1. F. in the County-wide Financial Statements. Capital asset activity for the year ended September 30, 2014, was as follows:

	<u>Oct. 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2014</u>
<b>Governmental Activities:</b>				
Operating machinery and equipment	\$ 1,633,702	\$ 623,002	\$ 144,827	\$ 2,111,877
Less accumulated depreciation	<u>999,528</u>	<u>140,864</u>	<u>144,608</u>	<u>995,784</u>
Total governmental activities				
capital assets, net	<u>\$ 634,174</u>	<u>\$ 482,138</u>	<u>\$ 219</u>	<u>\$ 1,116,093</u>



BREVARD COUNTY PROPERTY APPRAISER  
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

E. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the Property Appraiser's fund financial statements. Prepaid items purchased by the Property Appraiser are recorded as expenditures when consumed.

F. Investments

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

G. Accrued Compensated Absences

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

The Property Appraiser accrued compensated absences were:

<u>Oct. 1, 2013</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2014</u>
\$722,000	\$662,427	\$567,713	\$816,714

Accrued compensated absence liability due within one year is estimated at \$133,012.

H. Unearned Revenue

Unearned revenues are reported in the fund financial statements when resources are received by the Brevard County Property Appraiser before it has incurred qualifying expenditures. In subsequent periods when the qualified expenditures occur, the liability for unearned revenue is removed and revenue is recognized. Unearned revenues consist of indirect revenues received for qualified expenditures that occurred after year end, totaling \$427,382.

I. Use of Estimates

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

2. Comparison of Expenditures to Appropriations

Expenditures exceed appropriations because the \$358,886 was spent from a nonbudgeted reimbursement for expenses paid by the Board of County Commissioners to support the property data program.

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 \$358,886 and is included in charges for services. The Florida Department of Revenue does not require that mapping services revenues or expenditures be budgeted.

3. Cash and Investments

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

The total cash amount for the Property Appraiser was \$590,846, and deposits with financial institutions were \$815,791. 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.	\$815,791
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BREVARD COUNTY PROPERTY APPRAISER  
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

4. Deferred Compensation

Refer to Note 21 in the County-wide Financial Statements.

5. Retirement

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

The Property Appraiser's contributions for the years ending September 30, 2014, 2013, and 2012 were \$518,865, \$326,261, and \$293,221, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2014, represented 10.05% of covered payroll.

6. Leases

The Property Appraiser is obligated under operating lease agreements for office equipment through fiscal year 2015 and for vehicles through fiscal year 2016. Copier lease agreements will expire concurrently in the June to August 2015 period. A new vehicle operating lease agreement was initiated effective October 8, 2013, with a 36 month term. Total cost for the lease agreements was \$61,712 for the year ended September 30, 2014. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2015	\$ 55,774
2016	31,616
2017	<u>501</u>
Total minimum lease payable	<u>\$ 87,891</u>

7. Risk Management

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

8. Other Postemployment Benefits

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

The following table shows the actuarial determined components of the Property Appraiser employee's portion of Brevard County's obligation as of September 30, 2012, 2013, and 2014 based on the current plan provisions:

	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>	<u>Sept. 30, 2014</u>
Annual required contribution	\$ 394,309	\$ 218,009	\$ 100,953
Interest on net OPEB contribution	16,266	17,079	8,917
Adjustment to annual required contribution	<u>(29,085)</u>	<u>(30,539)</u>	<u>(34,211)</u>
Annual OPEB cost (expense)	\$ 381,490	\$ 204,549	\$ 75,659
Contributions made	<u>(163,487)</u>	<u>(166,757)</u>	<u>(167,406)</u>
Increase (decrease) in net OPEB obligation	\$ 218,003	\$ 37,792	\$ (91,747)
Net OPEB obligation - beginning of year	<u>635,937</u>	<u>853,940</u>	<u>891,732</u>
Net OPEB obligation - end of year	<u>\$ 853,940</u>	<u>\$ 891,732</u>	<u>\$ 799,985</u>

No trust or agency fund has been established by Brevard County for the plan; there were no adjustments to the annual required contribution or interest earnings.

BREVARD COUNTY PROPERTY APPRAISER  
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

Funded Status and Funding Progress - The contributions made for the 2012, 2013 and 2014 fiscal years were 42.9%, 81.5% and 221.3%, respectively, of the annual OPEB cost. As of the October 1, 2013 actuarial valuation date the actuarial accrued liability for benefits was \$1,847,117, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$5,161,203 and the ratio of Unfunded Actuarial Accrued Liability ("UAAL") to the covered payroll was 35.8%.

9. Commitments

The Property Appraiser's office contracts for aerial pictography that is used in the assessment of various property values as well as other purposes within the County. The prior contract expired in fiscal year 2014 and a new contract was established for a six year period, with the first scheduled flight and payment in fiscal year 2015. These outstanding services are valued at approximately \$1,051,000 for the contract period.

10. Subsequent Events

The Property Appraiser has evaluated subsequent events through May 8, 2015, the date which the financial statements were available for issuance, and has determined that no material events occurred that would require additional disclosure in the financial statements.

BREVARD COUNTY PROPERTY APPRAISER  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
FOR THE RETIREE HEALTH PLAN  
SEPTEMBER 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 4,596,934	\$ 4,596,934	0.0%	\$ 6,550,388	70.2%
10/01/2008	\$ 0	\$ 4,596,934	\$ 4,596,934	0.0%	\$ 6,512,555	70.6%
10/01/2009	\$ 0	\$ 3,473,328	\$ 3,473,328	0.0%	\$ 6,159,827	56.4%
10/01/2010	\$ 0	\$ 3,535,957	\$ 3,535,957	0.0%	\$ 5,595,342	63.2%
10/01/2011	\$ 0	\$ 3,893,727	\$ 3,893,727	0.0%	\$ 5,479,568	71.1%
10/01/2012	\$ 0	\$ 3,881,404	\$ 3,881,404	0.0%	\$ 5,107,889	76.0%
10/01/2013	\$ 0	\$ 1,847,117	\$ 1,847,117	0.0%	\$ 5,161,203	35.8%

**BREVARD COUNTY**  
**PROPERTY APPRAISER**

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



**MANAGEMENT LETTER  
And  
MANAGEMENT COMMENTS AND RECOMMENDATIONS**



**INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE**

SEPTEMBER 30, 2014

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

To the Honorable Dana Blickley  
Brevard County Property Appraiser  
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Property Appraiser of Brevard County, Florida (the "Property Appraiser"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements and have issued our report thereon dated May 8, 2015.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Property Appraiser's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

Melbourne, Florida  
May 8, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

## MANAGEMENT LETTER

The Honorable Dana Blickley  
Brevard County Property Appraiser  
Brevard County, Florida

### Report on the Financial Statements

We have audited the special-purpose financial statements of the Property Appraiser of Brevard County, Florida (the "Property Appraiser"), as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated May 8, 2015.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550 Rules of the Auditor General.

### Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated May 18, 2015, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Official Title and Legal Authority

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



## **Other Matters**

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

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

## **Purpose of this Letter**

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

May 8, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

**Brevard County Property Appraiser**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**  
**September 30, 2014**

For the year ended September 30, 2014, there were no management comments or recommendations.

## INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

To the Honorable Dana Blickley  
Brevard County Property Appraiser  
Brevard County, Florida

We have examined the Brevard County Property Appraiser's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2014. Management is responsible for the Brevard County Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Brevard County Property Appraiser's compliance based on our examination.

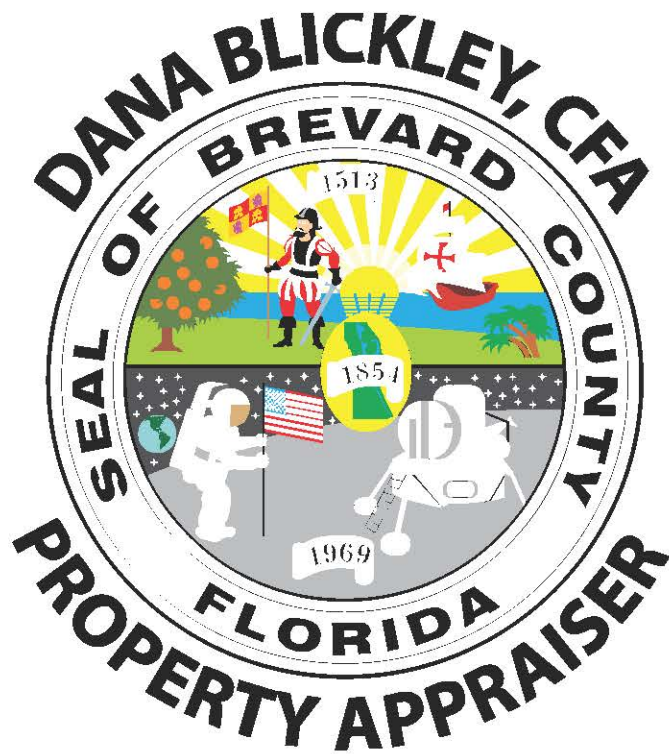
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Brevard County Property Appraiser's compliance with those requirements and performing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

In our opinion, Brevard County Property Appraiser's complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

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

Melbourne, Florida  
May 8, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*



# SUPERVISOR OF ELECTIONS

BREVARD COUNTY SUPERVISOR OF ELECTIONS

SEPTEMBER 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Table of Contents	i
II. <u>FINANCIAL SECTION</u>	
Independent Auditor's Report	1
Fund Financial Statements:	
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
Notes to the Special-Purpose Financial Statements	7
Required Supplementary Information:	
Schedule of Funding Progress for the Retiree Health Plan	12
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	14
MANAGEMENT LETTER And MANAGEMENT COMMENTS AND RECOMMENDATIONS	16
INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE	19



## INDEPENDENT AUDITOR'S REPORT

The Honorable Lori Scott  
Brevard County Supervisor of Elections  
Brevard County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special-purpose financial statements of the Brevard County Supervisor of Elections (the "Supervisor"), Florida as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Supervisor's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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



As described in Note 1-B, 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, the *Rules of the Auditor General*, State of Florida, and present only the financial position of the Supervisor at September 30, 2014, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2014, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Opinion***

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the Supervisor as of September 30, 2014, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Other Matters***

Accounting principles generally accepted in the United States of America require that the schedule of funding progress for the retiree health plan, as listed in the table of contents, be presented to supplement the special-purpose financial statements. Such information, although not a part of the special-purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the special-purpose financial statements, and other knowledge we obtained during our audit of the special-purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2015, on our consideration of the Supervisor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor's internal control over financial reporting and compliance.

May 14, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

**BREVARD COUNTY**  
**SUPERVISOR OF ELECTIONS**

**FUND FINANCIAL STATEMENTS**

SEPTEMBER 30, 2014



BREVARD COUNTY SUPERVISOR OF ELECTIONS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	<u>General</u>
<b>ASSETS</b>	
Cash	\$ 577,117
Accrued interest receivable	708
Due from other governmental units	15,511
Prepaid expenses	143,611
Total assets	<u>\$ 736,947</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Vouchers and contracts payable	\$ 513,240
Other current liabilities	16,088
Unearned revenue-other	64,008
Total liabilities	<u>\$ 593,336</u>
Fund balance	
Non-spendable:	
Prepaid items	<u>\$ 143,611</u>
Total liabilities and fund balance	<u>\$ 736,947</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, 2014

	<i>General</i>
REVENUES	
Intergovernmental revenues	\$ 124,468
Charges for services	38,527
Miscellaneous revenues	6,782
Total revenues	<u>\$ 169,777</u>
EXPENDITURES	
Current:	
General government	\$ 4,604,434
Debt service:	
Principal	49,788
Interest	4,801
Total expenditures	<u>\$ 4,659,023</u>
Deficiency of revenues under expenditures	<u>\$ (4,489,246)</u>
OTHER FINANCING SOURCES	
Transfers from constitutional officers	\$ 4,312,596
Capital related debt issued	176,650
Total other financings sources	<u>\$ 4,489,246</u>
Net change in fund balance	\$ 0
Fund balance - beginning	68,313
Increase in non-spendable	75,298
Fund balance - ending	<u><u>\$ 143,611</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, 2014

	<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	\$ 101,031	131,068	\$ 124,468	\$ (6,600)
Charges for services	46,000	46,000	38,527	(7,473)
Miscellaneous revenues	500	868	6,782	5,914
Total revenues	<u>\$ 147,531</u>	<u>\$ 177,936</u>	<u>\$ 169,777</u>	<u>\$ (8,159)</u>
EXPENDITURES				
Current:				
General government	\$ 4,480,620	\$ 4,509,505	\$ 4,604,434	\$ (94,929)
Debt service:				
Principal	0	0	49,788	(49,788)
Interest	0	0	4,801	(4,801)
Total expenditures	<u>\$ 4,480,620</u>	<u>\$ 4,509,505</u>	<u>\$ 4,659,023</u>	<u>\$ (149,518)</u>
Deficiency of revenues under expenditures	<u>\$ (4,333,089)</u>	<u>\$ (4,331,569)</u>	<u>\$ (4,489,246)</u>	<u>\$ (157,677)</u>
OTHER FINANCING SOURCES				
Transfers from constitutional officers	\$ 4,340,465	\$ 4,340,465	\$ 4,312,596	\$ (27,869)
Capital related debt issued	0	0	176,650	176,650
Total other financings sources	<u>\$ 4,340,465</u>	<u>\$ 4,340,465</u>	<u>\$ 4,489,246</u>	<u>\$ 148,781</u>
Net change in fund balance	<u>\$ 7,376</u>	<u>\$ 8,896</u>	<u>\$ 0</u>	<u>\$ (8,896)</u>
Fund balance - beginning	\$ 68,313	\$ 68,313	\$ 68,313	\$ 0
Increase in non-spendable	0	0	75,298	75,298
Fund balance - ending	<u><u>\$ 75,689</u></u>	<u><u>\$ 77,209</u></u>	<u><u>\$ 143,611</u></u>	<u><u>\$ 66,402</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, 2014

I. 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 (ninety days for intergovernmental revenue).

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.

Governmental funds report fund balances either as non-spendable or spendable. Spendable balances are further classified as restricted, committed, assigned or unassigned, based on the extent to which there are external or internal constraints on the spending of these fund balances.

**Non-spendable Fund Balance** – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally items such as long-term amounts of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact. As of September 30, 2014, the Supervisor of Elections has \$143,611 of a non-spendable fund balance which represents prepaid items.

BREVARD COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

**Spendable Fund Balance:**

- Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Supervisor of Elections. Commitments may be changed or lifted only by the Supervisor of Elections taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- Assigned Fund Balance – Included spendable fund balance amounts established by the Supervisor of Elections that are intended to be used for specific purposes and are neither considered restricted or committed.
- Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Supervisor of Elections spends restricted amounts first, when both restricted and unrestricted fund balance is available, unless prohibited by legal documents, grant agreements or contracts. Additionally, the Supervisor of Elections uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes of which amounts in any of the unrestricted fund balance classifications could be used.

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, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2014</u>
Governmental Activities:				
Operating machinery and equipment	\$ 3,409,439	\$ 1,365,222	\$ 88,156	\$ 4,686,505
Less accumulated depreciation	<u>562,623</u>	<u>396,370</u>	<u>86,092</u>	<u>872,901</u>
Total governmental activities capital assets, net	<u>\$ 2,846,816</u>	<u>\$ 968,852</u>	<u>\$ 2,064</u>	<u>\$ 3,813,604</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. Prepaid Items

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

BREVARD COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

F. Investments

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

G. Accrued Compensated Absences

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

The Supervisor of Elections' accrued compensated absences were:

<u>Oct 1, 2013</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2014</u>
\$160,280	\$31,071	\$23,579	\$167,772

The accrued compensated absence due within one year is estimated at \$39,457.

H. Use of Estimates

Refer to Note 1. R. 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 \$577,117 represents the allocated amount of the pooled cash of the Brevard County Board of County Commissioners in the amount of \$561,029 and a Supervisor of Elections' Candidate Qualifying account in the amount of \$16,088.

Amount insured by the FDIC or collateralized with securities held by  
the State Treasurer in accordance with Chapter 280, Florida Statutes. \$577,117

3. Leases

- A. The Supervisor of Elections entered into a capital lease arrangement for the purpose of acquiring operating equipment. The future minimum lease payments at September 30, 2014 are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2015	\$ 47,089
2016	47,089
2017	<u>47,089</u>
Total minimum lease payable	\$ 141,267
Less amount representing interest	<u>14,404</u>
Present value of minimum lease payments	<u>\$ 126,863</u>

The assets currently being acquired through capital leases are as follows:

Machinery and equipment	<u>\$ 176,650</u>
Accumulated depreciation	<u>\$ 7,365</u>

- B. The Supervisor of Elections leased office space from the Brevard County Board of County Commissioners. The amount of rent that was charged was determined by a Cost Allocation Plan (CAP) developed by a consultant for the Brevard County Budget Office for fiscal year 2014. The CAP distributed costs for Facilities building services and building maintenance based on fiscal year 2013 actual results. The total cost for the year ended September 30, 2014 was \$12,130.



BREVARD COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

The Supervisor of Elections leases office equipment under noncancelable operating leases and cancelable operating leases. Total payments for the noncancelable operating leases and cancelable operating leases were \$13,905 and \$40,307, respectively, for the year ended September 30, 2014. The future minimum lease payments for noncancelable operating leases are as follows:

Year Ended <u>September 30</u>	<u>Amount</u>
2015	\$ 11,668
Total minimum lease payable	<u>\$ 11,668</u>

4. Risk Management

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

5. Deferred Compensation

Refer to Note 21 in the County-wide Financial Statements.

6. Retirement

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

The Supervisor of Elections' contributions for the years ending September 30, 2014, 2013, and 2012 were \$113,880, \$79,457, and \$65,615, respectively, which equal the required contributions for each year. Contributions for the year ending September 30, 2014 represented 10.30% of covered payroll.

7. Other Postemployment Benefits

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

The following table shows the actuarial determined components of the Supervisor of Elections employee's portion of Brevard County's obligation as of September 30, 2012, 2013, and 2014 based on the current plan provisions:

	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>	<u>Sept. 30, 2014</u>
Annual required contribution	\$ 65,221	\$ 45,589	\$ 20,485
Interest on net OPEB contribution	3,576	9,724	4,527
Adjustment to annual required contribution	<u>(6,394)</u>	<u>(6,279)</u>	<u>(6,233)</u>
Annual OPEB cost (expense)	\$ 62,403	\$ 49,034	\$ 18,779
Contributions made	<u>(33,918)</u>	<u>(31,796)</u>	<u>(26,408)</u>
Increase (decrease) in net OPEB obligation	\$ 28,485	\$ 17,238	\$ (7,629)
Net OPEB obligation - beginning of year	<u>180,636</u>	<u>209,121</u>	<u>226,359</u>
Net OPEB obligation - end of year	<u>\$ 209,121</u>	<u>\$ 226,359</u>	<u>\$ 218,730</u>

No trust or agency fund has been established for the plan; there were no adjustments to the annual required contribution or interest earnings.

Funded Status and Funding Progress - The contributions made for the 2012, 2013, and 2014 fiscal years were 54.4%, 64.8%, and 140.6%, respectively, of the annual OPEB cost. As of the October 1, 2013 actuarial valuation date, the actuarial accrued liability for benefits was \$357,498, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$1,105,859 and the ratio of the UAAL to the covered payroll was 32.3%.

**BREVARD COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014**

**8. Comparison of Expenditures to Appropriations**

Expenditures exceeded appropriations in the General Fund by \$149,518, as a result of capital lease principal payments that were unbudgeted for which funding was available to the principal payments.

**9. Subsequent Event**

The Brevard County Supervisor of Elections has evaluated subsequent events through May 14, 2015, the date which the financial statements were available for issuance.

BREVARD COUNTY SUPERVISOR OF ELECTIONS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS  
 FOR THE RETIREE HEALTH PLAN  
 SEPTEMBER 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 1,159,241	\$ 1,159,241	0.0%	\$ 1,748,973	66.3%
10/01/2008	\$ 0	\$ 1,159,241	\$ 1,159,241	0.0%	\$ 1,589,076	73.0%
10/01/2009	\$ 0	\$ 718,480	\$ 718,480	0.0%	\$ 1,337,196	53.7%
10/01/2010	\$ 0	\$ 782,931	\$ 782,931	0.0%	\$ 1,250,210	62.6%
10/01/2011	\$ 0	\$ 856,020	\$ 856,020	0.0%	\$ 1,177,342	72.7%
10/01/2012	\$ 0	\$ 786,498	\$ 786,498	0.0%	\$ 1,175,850	66.9%
10/01/2013	\$ 0	\$ 357,498	\$ 357,498	0.0%	\$ 1,105,859	32.3%

**BREVARD COUNTY**  
**SUPERVISOR OF ELECTIONS**

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



**MANAGEMENT LETTER**  
**And**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**



**INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE**

SEPTEMBER 30, 2014

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

The Honorable Lori Scott  
Brevard County Supervisor of Elections  
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the major fund of Brevard County Supervisor of Elections (the "Supervisor"), as of and for the year ended September 30, 2014, and the related notes to the special-purpose financial statements, which collectively comprise the Supervisor's special-purpose financial statements, and have issued our report thereon dated May 14, 2015.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Supervisor's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

May 14, 2105  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

## MANAGEMENT LETTER

The Honorable Lori Scott  
Brevard County Supervisor of Elections  
Brevard County, Florida

### Report on the Financial Statements

We have audited the special-purpose financial statements of the Supervisor of Elections of Brevard County, Florida (the "Supervisor of Elections"), as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated May 14, 2015.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550 Rules of the Auditor General.

### Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated May 14, 2015, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Official Title and Legal Authority

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

## **Other Matters**

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

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we identified one instance of noncompliance as noted on Management Comments and Recommendations as 14-001.

## **Purpose of this Letter**

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

May 14, 2015  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*



**Brevard County Supervisor of Elections**  
**MANAGEMENT COMMENTS AND RECOMMENDATIONS**

**September 30, 2014**

**Current Year Comments**

14-001 Budget over expenditure  
*Noncompliance*

Criteria: Section 166.241(4)(c) of the Florida Statutes requires that the governing body of each municipality at any time within a fiscal year or within 60 days following the end of the fiscal year may amend a budget for that year but must regulate expenditures of the municipality, and an officer of the municipal government may not expend or contract for expenditures in and fiscal year except pursuant to the adopted budget. Just in case, the budget should be amended if management believes expenditures will exceed actual appropriations.

Condition: During the current year, actual expenditures exceeded final budgeted appropriations of the general fund by \$149,518.

Cause: The budget was not amended to include the capital asset purchase.

Effect: The Supervisor of Elections over expended the approved budgeted.

Recommendations: We recommend that the Supervisor of Election amend their budget regularly as known unbudgeted expenditures are identified.

Management's response: Procedures have been established to monitor and review all expenditures, including capital lease debt service, to insure total expenditures do not exceed the approved budget.

**Prior Year Comments**

For the year ended September 30, 2013, there are no management comments or recommendations.

## INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

The Honorable Lori Scott  
Brevard County Supervisor of Elections  
Brevard County, Florida

We have examined the Brevard County Supervisor of Elections' (the "Supervisor") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2014. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

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

In our opinion, the Supervisor complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

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

Melbourne, Florida  
May 14, 2015

*Berman Hopkins Wright & LaHam*  
*CPAs and Associates, LLP*

