

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, 2018

**BREVARD
COUNTY**

BREVARD COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT
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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, 2018, and the related notes to the financial statements, which collectively comprise 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 90 percent, 91 percent and 49 percent, of the assets, net position, and revenues of the aggregate discretely presented component units of Brevard County, Florida. Those 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 solely 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, 2018, 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, Save Our Indian River Lagoon, Education Impact Fees, 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 management's discussion and analysis, schedule of changes in total OPEB (Other Post-Employment Benefits) liability and related ratios, schedule of net pension liability, and the schedule of pension contributions, 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 non-major 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations, and Chapter 10.550, Local Governmental Entity Audits, Rules of the Auditor General, State of Florida and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements 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 non-major 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 27, 2019, on our consideration of 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.

March 27, 2019
Melbourne, Florida

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, 2018. 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, 2018 by \$1,017.8 million (net position) of which \$78.5 million is negative unrestricted.
- The County's total net position increased \$96.6 million over the previous year with \$82.4 million of the increase resulting from governmental activities and \$14.2 million resulting from business-type activities.
- As of September 30, 2018, Brevard County's governmental fund statements reported a combined ending fund balance of \$291.6 million, an increase of \$49.8 million from the preceding fiscal year.
- The General Fund reported a fund balance of \$50.1 million, an increase of \$10.3 million from the previous fiscal year.
- Total bonded debt decreased \$29.0 million (13.1%) in fiscal year 2018.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Brevard County's basic financial statements. 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 Funds Balance Sheet and the Governmental Funds 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-four 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, Save Our Indian River Lagoon, Grants, and Education Impact Fees, 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-10 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 internal 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, and Water Resources Department, each of which are considered to be major funds of Brevard County. Individual fund data for the nonmajor 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-11 to A-13 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-14 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-15 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 and net pension liability. Required supplementary information can be found on Exhibits A-16 to A-18 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 \$1,017.8 million at the close of the most recent fiscal year. Brevard County's increase in net position for this fiscal year amounts to \$96.6 million.

Almost all of Brevard County's net position (84.0 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		% Change
	2018	2017	2018	2017	2018	2017	
Current and other assets	\$ 444.9	\$ 365.2	\$ 134.8	\$ 131.9	\$ 579.7	\$ 497.1	16.6
Capital assets	809.6	787.0	325.4	297.4	1,135.0	1,084.4	4.7
Total assets	\$ 1,254.5	\$ 1,152.2	\$ 460.2	\$ 429.3	\$ 1,714.7	\$ 1,581.5	8.4
Deferred outflows of resources	\$ 115.0	\$ 121.0	\$ 6.0	\$ 6.3	\$ 121.0	\$ 127.3	(4.9)
Long-term liabilities	\$ 530.2	\$ 546.8	\$ 148.0	\$ 130.2	\$ 678.2	\$ 677.0	0.2
Other liabilities	86.5	72.0	12.2	14.9	98.7	86.9	13.6
Total liabilities	\$ 616.7	\$ 618.8	\$ 160.2	\$ 145.1	\$ 776.9	\$ 763.9	1.7
Deferred inflows of resources	\$ 38.4	\$ 22.4	\$ 2.6	\$ 1.3	\$ 41.0	\$ 23.7	73.0
Net position							
Net investment in capital assets	\$ 607.1	\$ 571.2	\$ 248.3	\$ 236.4	\$ 855.4	\$ 807.6	5.9
Restricted	238.6	202.5	2.3	2.8	240.9	205.3	17.3
Unrestricted	(131.3)	(141.7)	52.8	50.0	(78.5)	(91.7)	14.4
Total net position	\$ 714.4	\$ 632.0	\$ 303.4	\$ 289.2	\$ 1,017.8	\$ 921.2	10.5

The restricted portion of Brevard County's net position (23.7 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, lagoon restoration, capital improvements to parks, and road construction/resurfacing. The restrictions are imposed by actions such as local ordinances or bond covenants.

The Changes in Net Position summary, 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>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>% Change</u>
Revenues							
Program revenues:							
Charges for services	\$ 142.9	\$ 132.2	\$ 85.1	\$ 79.2	\$ 228.0	\$ 211.4	7.9
Operating grants and contributions	38.3	37.8	20.5	25.1	58.8	62.9	(6.5)
Capital grants and contributions	29.8	3.4	7.7	11.6	37.5	15.0	150.0
General revenues:							
Property taxes	223.6	215.9	0.0	0.0	223.6	215.9	3.6
Other taxes	81.1	65.1	0.0	0.0	81.1	65.1	24.6
State shared	40.4	38.0	0.0	0.0	40.4	38.0	6.3
Interest	4.0	2.1	1.6	1.0	5.6	3.1	80.6
Other	10.6	10.3	0.9	0.7	11.5	11.0	4.5
Total revenues	<u>\$ 570.7</u>	<u>\$ 504.8</u>	<u>\$ 115.8</u>	<u>\$ 117.6</u>	<u>\$ 686.5</u>	<u>\$ 622.4</u>	10.3
Expenses							
General government	\$ 88.9	\$ 87.5	\$ 0.0	\$ 0.0	\$ 88.9	\$ 87.5	1.6
Public safety	206.6	205.7	0.0	0.0	206.6	205.7	0.4
Physical environment	26.2	19.2	0.0	0.0	26.2	19.2	36.5
Transportation	45.5	34.6	0.0	0.0	45.5	34.6	31.5
Economic environment	22.6	21.2	0.0	0.0	22.6	21.2	6.6
Human services	40.6	38.7	0.0	0.0	40.6	38.7	4.9
Culture and recreation	53.9	51.1	0.0	0.0	53.9	51.1	5.5
Interest on long-term debt	6.8	8.2	0.0	0.0	6.8	8.2	(17.1)
Solid waste	0.0	0.0	48.5	52.7	48.5	52.7	(8.0)
Water resources	0.0	0.0	31.9	29.0	31.9	29.0	10.0
Transit services	0.0	0.0	15.6	15.3	15.6	15.3	2.0
Golf courses	0.0	0.0	4.6	1.0	4.6	1.0	360.0
Total expenses	<u>\$ 491.1</u>	<u>\$ 466.2</u>	<u>\$ 100.6</u>	<u>\$ 98.0</u>	<u>\$ 591.7</u>	<u>\$ 564.2</u>	4.9
Change in net position before transfers	\$ 79.6	\$ 38.6	\$ 15.2	\$ 19.6	\$ 94.8	\$ 58.2	62.9
Transfers	<u>1.1</u>	<u>1.4</u>	<u>(1.1)</u>	<u>(1.4)</u>	<u>0.0</u>	<u>0.0</u>	0.0
Increase in net position	\$ 80.7	\$ 40.0	\$ 14.1	\$ 18.2	\$ 94.8	\$ 58.2	62.9
Net position beginning	632.0	592.0	289.2	271.0	921.2	863.0	6.7
Cumulative effect of restatement of prior year balances	<u>1.7</u>	<u>0.0</u>	<u>0.1</u>	<u>0.0</u>	<u>1.8</u>	<u>0.0</u>	100.0
Net position ending	<u>\$ 714.4</u>	<u>\$ 632.0</u>	<u>\$ 303.4</u>	<u>\$ 289.2</u>	<u>\$ 1,017.8</u>	<u>\$ 921.2</u>	10.5

Financial Analysis of Governmental Activities

Revenue in fiscal year 2018 included increases in other taxes of \$16.0 million, increases in charges for services of \$10.7 million, increases in capital grants and contributions of \$26.4 million, and increases in property taxes of \$7.7 million. The increase in charges for services primarily resulted from impact fees on new construction. The property tax increase resulted from improved property values. The increase in other taxes resulted from a full year collection of the half-cent discretionary infrastructure sales tax. The increase in capital grants and contributions resulted from donations of infrastructure and capital grants for transportation projects.

Financial Analysis of Business-type Activities

Business-type activities increased the County's net position by \$14.2 million, compared to \$18.2 million in the previous year. The County's water resources operations experienced the largest increase in net position at \$12.5 million. The County's Space Coast Area Transit operations reported a \$1.4 million increase and solid waste operations reported a \$1.9 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.

	Net Change in Fund Balance					Education Impact Fees
	General Fund	Emergency Services	Brevard County Transportation Trust	Save Our Indian River Lagoon	Grants	
Fiscal Year 2018						
Revenues and other sources	\$ 268,325,677	\$ 65,475,329	\$ 40,355,886	\$ 47,086,140	\$ 25,522,733	\$ 12,314,569
Expenditures and other uses	<u>258,011,116</u>	<u>66,269,195</u>	<u>42,128,041</u>	<u>3,674,036</u>	<u>26,964,700</u>	<u>16,754,259</u>
Increase (decrease) in fund balance	<u>\$ 10,314,561</u>	<u>\$ (793,866)</u>	<u>\$ (1,772,155)</u>	<u>\$ 43,412,104</u>	<u>\$ (1,441,967)</u>	<u>\$ (4,439,690)</u>
Fiscal Year 2017						
Revenues and other sources	\$ 255,349,272	\$ 63,514,063	\$ 90,648,319	\$ 32,122,717	\$ 16,184,075	\$ 9,921,525
Expenditures and other uses	<u>251,843,466</u>	<u>68,105,936</u>	<u>86,652,896</u>	<u>291,370</u>	<u>15,383,182</u>	<u>16,717,089</u>
Increase (decrease) in fund balance	<u>\$ 3,505,806</u>	<u>\$ (4,591,873)</u>	<u>\$ 3,995,423</u>	<u>\$ 31,831,347</u>	<u>\$ 800,893</u>	<u>\$ (6,795,564)</u>

At September 30, 2018, total fund balance in the General Fund was \$50.1 million, of which \$46.7 million was spendable. As a measure of liquidity, the spendable General Fund's fund balance compared to total fund expenditures and other financing uses was at 18.1 percent at fiscal year-end.

Emergency Services received \$65.5 million of dedicated property taxes, fire assessment, ambulance fees and General Fund financial support during fiscal year 2018. The department expended \$68.4 million for fire protection, ambulance, hazardous material mitigation, other emergency services and some capital renovations. The \$15.2 million in fund balance is a decrease from fiscal year 2017.

The fund balance in the Brevard County Transportation Trust fund decreased by \$1.8 million in fiscal year 2018. The \$57.8 million restricted fund balance in fiscal year 2018 includes \$6.4 million from the Local Option Fuel Tax Bonds issued in 2007, while the remainder represents impact fees and gas taxes for infrastructure improvements.

Save our Indian River Lagoon collected \$46.6 million from the voter approved half-cent discretionary infrastructure sales tax in fiscal year 2018. At September 30, 2018, the restricted fund balance was \$75.2 million.

The Grants fund receives federal and state funding for physical environment, human assistance, transportation and other public services. The Grants fund reported a deficit fund balance of \$12.1 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.

The Education Impact Fees fund, at year end, had an obligation to the School Board of Brevard County of \$16.5 million for educational facilities. The restricted fund balance was \$3.2 million at September 30, 2018.

The Tourism Development Tax fund balance decreased \$4.3 million in fiscal year 2018 to a total of \$15.8 million. The fund balance included \$10.5 million to be used for beach improvement, restoration, and erosion control. The Space Coast Stadium, conventions, and other smaller projects make up the remainder.

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, 2018, total net position amounted to \$300.2 million for enterprise funds as compared to \$285.9 million at September 30, 2017. Net position primarily changed as a result of operations, grants and capital contributions in the Water Resources fund.

The Solid Waste Management Department reported an increase in net position of \$1.9 million. The total current assets of \$60.8 million include \$34.0 million restricted for landfill closure. 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 2018 of \$12.5 million, compared to the \$18.3 million increase in net position in the preceding fiscal year. Current policy provides for rates to be adjusted by the consumer price index, not to exceed 5 percent annually. The coverage of net available revenue over debt service for the fiscal year was 920 percent. The department disbursed \$36.2 million to acquire, construct or improve capital assets during the fiscal year. The capital contributions, including impact fees and developer contributions, increased by \$6.1 million.

Internal Service Funds - The Risk Management internal service fund is to finance the uninsured risks of loss for workers compensation, auto liability, general liability claims and employee health benefits on a cost-reimbursement basis. In addition to the self-insurance, the County also purchases commercial insurance policies to manage risk for claims that exceed agreed upon amounts. The risk premiums and pharmacy rebates, generated during the fiscal year, exceeded costs of the self-insurance program by \$3.7 million. The unrestricted net position of the self-insurance fund at fiscal year-end was \$52.2 million.

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 \$2.1 million, primarily as a result of increases in Federal grants and charges for services. Actual expenditures were \$12.7 million less than final budgeted amounts, with the majority of unexpended budget within the general government and culture and recreation functions.

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, 2018, amounts to \$1.1 billion (net of accumulated depreciation). This investment in capital assets includes land, easements, buildings and structures, improvements, goodwill, and machinery and equipment. Infrastructure, such as roads, highways and bridges, are also included. Brevard County's investment in capital assets for the current fiscal year increased 4.7 percent.

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

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 258.9	\$ 255.5	\$ 37.2	\$ 37.9	\$ 296.1	\$ 293.4
Easements	0.7	0.6	0.1	0.1	0.8	0.7
Goodwill	0.0	0.0	0.9	0.9	0.9	0.9
Construction in progress	49.0	63.2	74.7	77.2	123.7	140.4
Buildings and structures	188.1	194.6	28.0	29.4	216.1	224.0
Infrastructure	199.8	162.4	38.5	16.5	238.3	178.9
Improvements to land	38.1	41.1	0.6	1.4	38.7	42.5
Improvements other than buildings	27.5	18.4	125.1	114.4	152.6	132.8
Machinery and equipment	47.5	51.3	20.3	19.6	67.8	70.9
	<u>\$ 809.6</u>	<u>\$ 787.1</u>	<u>\$ 325.4</u>	<u>\$ 297.4</u>	<u>\$ 1,135.0</u>	<u>\$ 1,084.5</u>

Additional information on Brevard County’s capital assets can be found in the notes to the financial statements (Exhibit A-15, Note 9).

Long-term debt. At the end of the current fiscal year, Brevard County had total bonded debt outstanding of \$192.0 million, which is a 13.1 percent decrease from fiscal year 2017. Of this amount, \$50.5 million comprises debt backed by voter approved property taxes, and \$141.5 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>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Limited Ad Valorem Tax Bonds	\$ 50.5	\$ 74.9	\$ 0.0	\$ 0.0	\$ 50.5	\$ 74.9
Revenue Bonds	98.2	100.9	43.3	45.2	141.5	146.1
	<u>\$ 148.7</u>	<u>\$ 175.8</u>	<u>\$ 43.3</u>	<u>\$ 45.2</u>	<u>\$ 192.0</u>	<u>\$ 221.0</u>

Additional information on Brevard County’s long-term debt can be found in the notes to the financial statements (Exhibit A-15, Note 15).

Economic Factors and Next Year’s Budgets and Rates

- The unemployment rate for Brevard County is currently 3.3 percent, which was a decrease from a rate of 3.7 percent a year ago. The State’s average unemployment rate is 3.3 percent and the national average rate is 3.9 percent.
- Total property valuation increased from \$63.7 billion to \$69.5 billion. Taxable property valuation increased from \$34.6 billion to \$37.7 billion. The valuation of Save Our Homes exemptions is \$10.0 billion, up from \$8.3 billion in 2017.

Brevard County experienced an increase in general revenues over the preceding year. Property taxes increased from additional construction values added, while revenues from sales taxes also increased. The number of building permits issued during 2018 was 27,754, a 30.5 percent increase over the prior year.

All of these factors were considered in preparing Brevard County’s budget for the 2019 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, 2018

	<i>Primary Government</i>			<i>Component Units</i>
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	
ASSETS				
Cash and cash equivalents	\$ 370,659,131	\$ 66,645,764	\$ 437,304,895	\$ 14,591,399
Cash with escrow and paying agents	1,125,191	0	1,125,191	0
Investments	0	0	0	366,792
Receivables (net of allowance for uncollectibles)	15,202,165	2,285,424	17,487,589	2,198,834
Taxes receivable	223,324	0	223,324	0
Assessments receivable	26,367	0	26,367	0
Accrued interest receivable	823,398	1,463	824,861	0
Internal balances	(2,396,469)	2,396,469	0	0
Due from other governmental units	48,607,499	23,773,680	72,381,179	568,058
Inventory of supplies	5,138,650	973,457	6,112,107	0
Prepaid items	5,322,011	1,521,720	6,843,731	0
Restricted assets:				
Cash and cash equivalents	0	37,213,954	37,213,954	0
Capital assets, not being depreciated:				
Land	258,882,198	37,242,864	296,125,062	14,493,599
Easements	707,581	52,108	759,689	0
Goodwill	0	940,130	940,130	0
Construction in progress	49,028,203	74,717,835	123,746,038	1,715,267
Capital assets, net of accumulated depreciation:				
Buildings and structures	188,086,178	28,038,360	216,124,538	16,377,309
Infrastructure	199,792,127	38,458,643	238,250,770	0
Improvements to land	38,102,980	570,019	38,672,999	1,089,779
Improvements other than buildings	27,521,525	125,069,574	152,591,099	23,591,482
Machinery and equipment	47,479,460	20,331,260	67,810,720	343,176
Unamortized bond insurance	187,313	0	187,313	0
Total assets	<u>\$ 1,254,518,832</u>	<u>\$ 460,232,724</u>	<u>\$ 1,714,751,556</u>	<u>\$ 75,335,695</u>
DEFERRED OUTFLOWS OF RESOURCES				
Refunding	\$ 1,457,524	\$ 18,444	\$ 1,475,968	\$ 0
Pensions	113,555,067	6,026,677	119,581,744	505,922
Total deferred outflows of resources	<u>\$ 115,012,591</u>	<u>\$ 6,045,121</u>	<u>\$ 121,057,712</u>	<u>\$ 505,922</u>

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>	
LIABILITIES				
Vouchers and contracts payable	\$ 42,647,017	\$ 8,965,454	\$ 51,612,471	\$ 1,969,823
Accrued wages and benefits payable	5,672,497	0	5,672,497	0
Accrued interest payable	1,407,374	237,907	1,645,281	0
Due to other governmental units	1,734,579	0	1,734,579	0
Unearned revenue	2,685,884	7,190	2,693,074	0
Customer deposits	0	1,023,592	1,023,592	231,683
Noncurrent liabilities:				
Due within one year:				
Claims payable	8,180,677	0	8,180,677	0
Accrued compensated absences	3,658,994	214,752	3,873,746	0
HUD Section 108 loan payable	165,000	0	165,000	0
Leases payable	260,762	0	260,762	0
Notes payable	0	0	0	103,817
Bonds payable	20,126,128	1,716,000	21,842,128	0
Due in more than one year:				
Claims payable	8,241,905	0	8,241,905	0
Landfill closure and postclosure care	0	53,932,181	53,932,181	0
Accrued compensated absences	31,462,139	1,779,988	33,242,127	0
Total OPEB liability	16,546,413	1,551,081	18,097,494	51,690
Net pension liability	286,068,622	15,368,918	301,437,540	1,170,253
HUD Section 108 loan payable	2,983,115	0	2,983,115	0
State revolving loan payable	0	32,744,488	32,744,488	0
Leases payable	602,602	0	602,602	0
Notes payable	0	0	0	1,518,250
Bonds payable (net of unamortized premium and discount)	184,294,557	42,693,639	226,988,196	0
Total liabilities	\$ 616,738,265	\$ 160,235,190	\$ 776,973,455	\$ 5,045,516
DEFERRED INFLOWS OF RESOURCES				
OPEB	\$ 4,092,647	\$ 690,399	\$ 4,783,046	\$ 64,976
Pensions	34,277,654	1,951,239	36,228,893	146,260
Total deferred inflows of resources	\$ 38,370,301	\$ 2,641,638	\$ 41,011,939	\$ 211,236
NET POSITION				
Net investment in capital assets	\$ 607,108,556	\$ 248,285,110	\$ 855,393,666	\$ 55,988,545
Restricted for:				
Debt service	6,809,928	796,281	7,606,209	0
Renewal and replacement	0	1,500,000	1,500,000	0
General government	4,994,710	0	4,994,710	0
Education	3,206,244	0	3,206,244	0
Public safety	21,692,923	0	21,692,923	0
Physical environment	93,300,103	0	93,300,103	0
Transportation	64,647,218	0	64,647,218	0
Economic environment	19,577,188	0	19,577,188	0
Human services	3,226,792	0	3,226,792	0
Culture and recreation	21,180,204	0	21,180,204	0
Unrestricted	(131,321,009)	52,819,626	(78,501,383)	14,596,320
Total net position	\$ 714,422,857	\$ 303,401,017	\$ 1,017,823,874	\$ 70,584,865

BREVARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 88,918,569	\$ 43,221,758	\$ 2,773,404	\$ 294,803
Public safety	206,547,585	59,844,704	4,846,802	2,113,579
Physical environment	26,239,033	8,321,417	12,787,026	0
Transportation	45,460,012	14,622,266	12,237,209	14,605,733
Economic environment	22,565,890	0	2,903,630	0
Human services	40,642,998	12,177,476	1,830,555	0
Culture and recreation	53,933,168	4,725,803	930,105	12,786,352
Interest on long-term debt	6,783,600	0	0	0
Total governmental activities	<u>\$ 491,090,855</u>	<u>\$ 142,913,424</u>	<u>\$ 38,308,731</u>	<u>\$ 29,800,467</u>
Business-type activities:				
Solid Waste	\$ 48,456,277	\$ 40,459,617	\$ 8,000,613	\$ 829,134
Water Resources	31,905,028	40,458,739	96,771	6,149,626
Transit Services	15,605,435	2,054,821	12,426,790	698,649
County-wide golf courses	4,656,150	2,125,575	0	0
Total business-type activities	<u>\$ 100,622,890</u>	<u>\$ 85,098,752</u>	<u>\$ 20,524,174</u>	<u>\$ 7,677,409</u>
Total primary government	<u><u>\$ 591,713,745</u></u>	<u><u>\$ 228,012,176</u></u>	<u><u>\$ 58,832,905</u></u>	<u><u>\$ 37,477,876</u></u>
Component units:				
North Brevard County				
Public Library District	\$ 175	\$ 0	\$ 0	\$ 0
Merritt Island Redevelopment Agency	278,047	0	0	0
North Brevard Economic Development Zone	2,115,658	12,086	0	0
Titusville-Cocoa Airport Authority	4,082,139	2,664,048	0	889,615
Housing Finance Authority	298,389	570,396	0	0
Total component units	<u><u>\$ 6,774,408</u></u>	<u><u>\$ 3,246,530</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 889,615</u></u>

General revenues:

- Taxes:
 - Ad valorem taxes, levied for general purposes
 - Ad valorem taxes, levied for debt service
 - Discretionary sales tax
 - 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
- Cumulative effect of change in accounting principle
- Cumulative effect in prior years of accounting error
- Net position - beginning, restated
- 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>	
\$ (42,628,604)	\$ 0	\$ (42,628,604)	
(139,742,500)	0	(139,742,500)	
(5,130,590)	0	(5,130,590)	
(3,994,804)	0	(3,994,804)	
(19,662,260)	0	(19,662,260)	
(26,634,967)	0	(26,634,967)	
(35,490,908)	0	(35,490,908)	
(6,783,600)	0	(6,783,600)	
<u>\$ (280,068,233)</u>	<u>\$ 0</u>	<u>\$ (280,068,233)</u>	
\$ 0	\$ 833,087	\$ 833,087	
0	14,800,108	14,800,108	
0	(425,175)	(425,175)	
0	(2,530,575)	(2,530,575)	
<u>\$ 0</u>	<u>\$ 12,677,445</u>	<u>\$ 12,677,445</u>	
<u>\$ (280,068,233)</u>	<u>\$ 12,677,445</u>	<u>\$ (267,390,788)</u>	
			\$ (175)
			(278,047)
			(2,103,572)
			(528,476)
			272,007
			<u>\$ (2,638,263)</u>
\$ 211,707,369	\$ 0	\$ 211,707,369	\$ 0
11,929,970	0	11,929,970	0
46,644,484	0	46,644,484	0
6,607,138	0	6,607,138	0
11,786,353	0	11,786,353	0
15,582,944	0	15,582,944	0
516,207	0	516,207	4,017,787
40,362,938	0	40,362,938	0
3,987,176	1,606,218	5,593,394	99,856
10,588,113	924,363	11,512,476	118,710
1,070,080	(1,070,080)	0	0
<u>\$ 360,782,772</u>	<u>\$ 1,460,501</u>	<u>\$ 362,243,273</u>	<u>\$ 4,236,353</u>
<u>\$ 80,714,539</u>	<u>\$ 14,137,946</u>	<u>\$ 94,852,485</u>	<u>\$ 1,598,090</u>
\$ 632,033,494	\$ 289,176,372	\$ 921,209,866	\$ 69,249,997
1,674,824	86,699	1,761,523	13,528
0	0	0	(276,750)
<u>\$ 633,708,318</u>	<u>\$ 289,263,071</u>	<u>\$ 922,971,389</u>	<u>\$ 68,986,775</u>
<u>\$ 714,422,857</u>	<u>\$ 303,401,017</u>	<u>\$ 1,017,823,874</u>	<u>\$ 70,584,865</u>

BREVARD COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

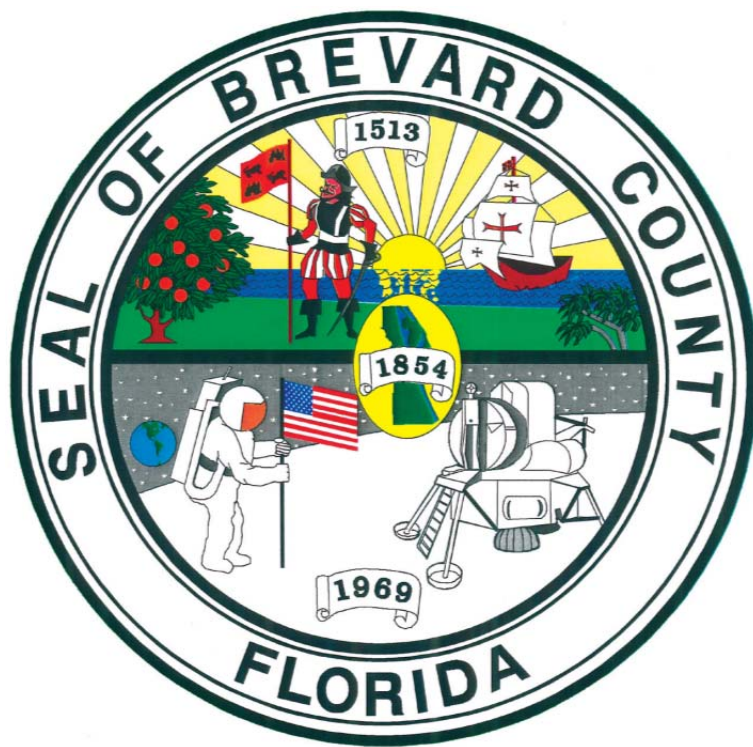
	<u>General</u>	<u>Emergency Services</u>	<u>Brevard County Transportation Trust</u>
ASSETS			
Cash	\$ 52,155,407	\$ 9,835,687	\$ 70,111,873
Receivables (net of allowance for uncollectibles):			
Accounts	3,529,521	11,110,893	54,786
Taxes	139,297	9,595	0
Assessments	20,489	5,878	0
Accrued interest	823,398	0	0
Due from other funds	2,338,969	78,882	1,505,000
Due from other governmental units	5,978,345	1,710,951	3,945,185
Inventory of supplies	2,772,200	996,592	60,696
Advances to other funds	0	0	0
Prepaid items	1,050,453	1,238,791	0
Total assets	<u>\$ 68,808,079</u>	<u>\$ 24,987,269</u>	<u>\$ 75,677,540</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Vouchers and contracts payable	\$ 5,693,124	\$ 1,205,422	\$ 5,387,510
Accrued wages and benefits payable	5,334,855	0	0
Due to other funds	3,571,732	0	0
Due to other governmental units	1,692,060	101	0
Advances from other funds	414,139	0	0
Unearned revenue	780,615	5,693	1,729,450
Total liabilities	<u>\$ 17,486,525</u>	<u>\$ 1,211,216</u>	<u>\$ 7,116,960</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-intergovernmental	\$ 745,145	\$ 1,067,951	\$ 1,528,861
Unavailable revenue-taxes and assessments	159,287	15,473	0
Unavailable revenue-future reimbursements	277,331	0	0
Unavailable revenue-charges for services	0	7,537,845	0
Total deferred inflows of resources	<u>\$ 1,181,763</u>	<u>\$ 8,621,269</u>	<u>\$ 1,528,861</u>
Fund balances:			
Non-spendable	\$ 3,184,761	\$ 2,235,383	\$ 60,696
Restricted	253,000	12,666,086	57,841,364
Committed	0	0	0
Assigned	10,188,942	253,315	9,129,659
Unassigned	36,513,088	0	0
Total fund balances	<u>\$ 50,139,791</u>	<u>\$ 15,154,784</u>	<u>\$ 67,031,719</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 68,808,079</u>	<u>\$ 24,987,269</u>	<u>\$ 75,677,540</u>

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

<i>Save Our Indian River Lagoon</i>	<i>Grants</i>	<i>Education Impact Fees</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 67,838,482	\$ 101,748	\$ 19,721,034	\$ 86,933,538	\$ 306,697,769
0	25,609	0	272,090	14,992,899
0	0	0	74,432	223,324
0	0	0	0	26,367
0	0	0	0	823,398
0	0	0	12,451,879	16,374,730
8,796,274	17,881,040	0	9,463,550	47,775,345
0	0	0	1,309,162	5,138,650
0	0	0	103,524	103,524
0	146,453	0	81,922	2,517,619
<u>\$ 76,634,756</u>	<u>\$ 18,154,850</u>	<u>\$ 19,721,034</u>	<u>\$ 110,690,097</u>	<u>\$ 394,673,625</u>
\$ 535,472	\$ 3,533,980	\$ 16,514,790	\$ 8,533,634	\$ 41,403,932
0	0	0	337,642	5,672,497
0	14,237,008	0	422,787	18,231,527
0	1,140	0	41,278	1,734,579
0	0	0	0	414,139
0	10,686	0	159,440	2,685,884
<u>\$ 535,472</u>	<u>\$ 17,782,814</u>	<u>\$ 16,514,790</u>	<u>\$ 9,494,781</u>	<u>\$ 70,142,558</u>
\$ 855,833	\$ 12,479,322	\$ 0	\$ 8,064,746	\$ 24,741,858
0	0	0	74,432	249,192
0	8,504	0	94,968	380,803
0	0	0	0	7,537,845
<u>\$ 855,833</u>	<u>\$ 12,487,826</u>	<u>\$ 0</u>	<u>\$ 8,234,146</u>	<u>\$ 32,909,698</u>
\$ 0	\$ 146,453	\$ 0	\$ 1,380,284	\$ 7,007,577
75,243,451	144,919	3,206,244	90,615,075	239,970,139
0	0	0	965,811	965,811
0	0	0	0	19,571,916
0	(12,407,162)	0	0	24,105,926
<u>\$ 75,243,451</u>	<u>\$ (12,115,790)</u>	<u>\$ 3,206,244</u>	<u>\$ 92,961,170</u>	<u>\$ 291,621,369</u>
<u>\$ 76,634,756</u>	<u>\$ 18,154,850</u>	<u>\$ 19,721,034</u>	<u>\$ 110,690,097</u>	<u>\$ 394,673,625</u>

BREVARD COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

Fund balances - total governmental funds	\$ 291,621,369
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.	808,710,743
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	717,123
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	(468,212,374)
Unavailable revenue in the governmental funds is susceptible to full accrual on the entity-wide statements.	32,909,698
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities.	<u>48,676,298</u>
Net position of governmental activities	<u><u>\$ 714,422,857</u></u>



BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

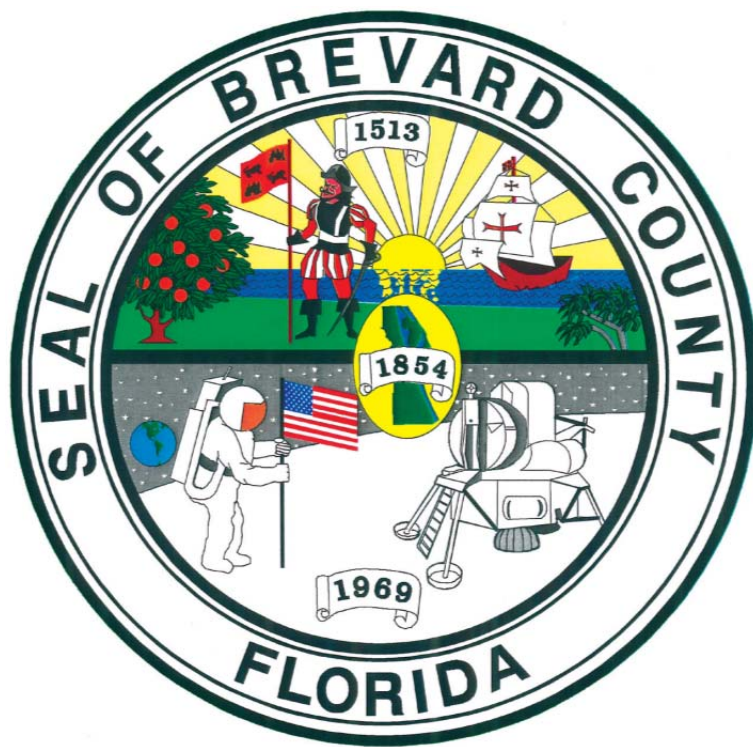
	<i>General</i>	<i>Emergency Services</i>	<i>Brevard County Transportation Trust</i>
REVENUES			
Taxes	\$ 145,927,925	\$ 11,256,059	\$ 12,215,156
Permits, fees and special assessments	17,775,325	22,353,237	6,112,145
Intergovernmental revenues	44,757,135	3,151,064	10,129,390
Charges for services	39,690,805	17,529,608	3,068,293
Fines and forfeits	2,200,086	324,565	0
Miscellaneous revenues	8,392,515	466,832	894,340
Total revenues	\$ 258,743,791	\$ 55,081,365	\$ 32,419,324
EXPENDITURES			
Current:			
General government	\$ 71,984,769	\$ 0	\$ 0
Public safety	102,609,383	65,210,901	0
Physical environment	3,308,027	0	0
Transportation	7,596,278	0	32,991,814
Economic environment	1,687,241	0	0
Human services	15,748,895	0	0
Culture and recreation	8,085,705	0	0
Intergovernmental	7,701,067	209,661	298,287
Capital outlay	0	0	0
Debt service:			
Principal	290,764	21,487	5,500,000
Interest	42,816	1,782	3,001,584
Total expenditures	\$ 219,054,945	\$ 65,443,831	\$ 41,791,685
Excess (deficiency) of revenues over (under) expenditures	\$ 39,688,846	\$ (10,362,466)	\$ (9,372,361)
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 8,398,812	\$ 9,719,146	\$ 7,728,492
Transfers out	(39,098,109)	(1,911,458)	(335,608)
Proceeds of the sale of capital assets	140,100	465,846	111,606
Insurance proceeds	260,295	208,972	96,464
Capital leases issued	782,679	0	0
Refunding debt issued	0	0	0
Capital related debt issued	0	0	0
Bond discount	0	0	0
Debt refunding payment	0	0	0
Total other financing sources and uses	\$ (29,516,223)	\$ 8,482,506	\$ 7,600,954
Net change in fund balances	\$ 10,172,623	\$ (1,879,960)	\$ (1,771,407)
Fund balances - beginning	39,825,230	15,948,650	68,803,874
Increase (decrease) in non-spendable	141,938	1,086,094	(748)
Fund balances - ending	\$ 50,139,791	\$ 15,154,784	\$ 67,031,719

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

<i>Save Our Indian River Lagoon</i>	<i>Grants</i>	<i>Education Impact Fees</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
\$ 46,644,484	\$ 0	\$ 0	\$ 88,966,247	\$ 305,009,871
0	0	12,177,423	11,450,211	69,868,341
0	24,151,682	0	6,264,024	88,453,295
0	0	0	6,677,111	66,965,817
0	0	0	1,020,566	3,545,217
441,656	63,165	137,146	4,014,895	14,410,549
<u>\$ 47,086,140</u>	<u>\$ 24,214,847</u>	<u>\$ 12,314,569</u>	<u>\$ 118,393,054</u>	<u>\$ 548,253,090</u>
\$ 0	\$ 0	\$ 0	\$ 6,078,647	\$ 78,063,416
0	2,149,681	0	23,370,254	193,340,219
2,211,022	4,463,468	0	14,178,882	24,161,399
0	12,198,093	0	5,512,505	58,298,690
0	2,310,061	0	10,819,825	14,817,127
0	1,837,805	0	6,113,564	23,700,264
0	2,807,325	0	41,545,041	52,438,071
1,463,014	1,044,475	16,720,164	0	27,436,668
0	0	0	6,439,228	6,439,228
0	80,000	0	36,455,941	42,348,192
0	36,623	0	3,109,571	6,192,376
<u>\$ 3,674,036</u>	<u>\$ 26,927,531</u>	<u>\$ 16,720,164</u>	<u>\$ 153,623,458</u>	<u>\$ 527,235,650</u>
<u>\$ 43,412,104</u>	<u>\$ (2,712,684)</u>	<u>\$ (4,405,595)</u>	<u>\$ (35,230,404)</u>	<u>\$ 21,017,440</u>
\$ 0	\$ 14,675	\$ 0	\$ 19,968,596	\$ 45,829,721
0	(14,675)	(34,095)	(6,596,800)	(47,990,745)
0	1,264	0	950,016	1,668,832
0	0	0	413,312	979,043
0	0	0	31,597	814,276
0	0	0	12,410,000	12,410,000
0	1,291,947	0	25,210,000	26,501,947
0	0	0	(50,525)	(50,525)
0	0	0	(12,410,000)	(12,410,000)
<u>\$ 0</u>	<u>\$ 1,293,211</u>	<u>\$ (34,095)</u>	<u>\$ 39,926,196</u>	<u>\$ 27,752,549</u>
\$ 43,412,104	\$ (1,419,473)	\$ (4,439,690)	\$ 4,695,792	\$ 48,769,989
31,831,347	(10,673,823)	7,645,934	88,424,835	241,806,047
0	(22,494)	0	(159,457)	1,045,333
<u>\$ 75,243,451</u>	<u>\$ (12,115,790)</u>	<u>\$ 3,206,244</u>	<u>\$ 92,961,170</u>	<u>\$ 291,621,369</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, 2018

Net change in fund balances - total governmental funds	\$ 48,769,989
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.	10,992,692
The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, and donations).	11,706,610
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.	8,878,776
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.	15,082,494
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 funds.	(18,592,195)
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.	276,827
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>3,599,346</u>
Change in net position of governmental activities	<u><u>\$ 80,714,539</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, 2018

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 143,544,647	\$ 143,544,647	\$ 139,251,209	\$ (4,293,438)
Communications services tax	6,028,728	6,028,728	6,178,334	149,606
Other taxes	380,000	380,000	498,382	118,382
Total taxes	<u>\$ 149,953,375</u>	<u>\$ 149,953,375</u>	<u>\$ 145,927,925</u>	<u>\$ (4,025,450)</u>
Permits, fees and special assessments:				
Franchise fees-electricity	\$ 13,950,144	\$ 13,950,144	\$ 14,097,326	\$ 147,182
Special assessments	5,150	5,150	6,271	1,121
Other permits and fees	2,653,281	2,653,281	3,671,728	1,018,447
Total permits, fees, and special assessments	<u>\$ 16,608,575</u>	<u>\$ 16,608,575</u>	<u>\$ 17,775,325</u>	<u>\$ 1,166,750</u>
Intergovernmental revenues:				
Federal grants	\$ 946,103	\$ 1,694,264	\$ 1,791,673	\$ 97,409
Federal payments in lieu of taxes	260,000	260,000	271,546	11,546
State grants	2,721,638	2,721,638	2,207,091	(514,547)
State shared revenues	41,850,427	41,850,427	40,362,933	(1,487,494)
Grants from other local units	12,000	20,836	40,800	19,964
Payments from other local units in lieu of taxes	60,000	60,000	83,092	23,092
Total intergovernmental revenues	<u>\$ 45,850,168</u>	<u>\$ 46,607,165</u>	<u>\$ 44,757,135</u>	<u>\$ (1,850,030)</u>
Charges for services:				
General government	\$ 13,762,729	\$ 14,512,533	\$ 14,530,921	\$ 18,388
Public safety	10,070,849	10,122,195	10,119,151	(3,044)
Physical environment	1,327,520	1,327,520	1,279,908	(47,612)
Transportation	771,883	771,883	851,687	79,804
Culture and recreation	3,069,230	3,069,230	2,936,011	(133,219)
Court-related revenues	6,826,696	6,841,696	7,361,096	519,400
Other charges for services	2,148,409	2,148,409	2,612,031	463,622
Total charges for services	<u>\$ 37,977,316</u>	<u>\$ 38,793,466</u>	<u>\$ 39,690,805</u>	<u>\$ 897,339</u>
Fines and forfeits	<u>\$ 1,977,082</u>	<u>\$ 1,977,082</u>	<u>\$ 2,200,086</u>	<u>\$ 223,004</u>
Miscellaneous revenues:				
Interest earnings	\$ 314,902	\$ 377,902	\$ 927,226	\$ 549,324
Rents and royalties	1,626,586	1,596,911	1,563,331	(33,580)
Sales of surplus materials	0	111,333	128,508	17,175
Contributions and donations	132,381	935,194	1,837,897	902,703
Licenses	886,000	886,000	972,733	86,733
Other miscellaneous revenues	2,521,498	2,133,183	2,962,820	829,637
Total miscellaneous revenues	<u>\$ 5,481,367</u>	<u>\$ 6,040,523</u>	<u>\$ 8,392,515</u>	<u>\$ 2,351,992</u>
Total revenues	<u>\$ 257,847,883</u>	<u>\$ 259,980,186</u>	<u>\$ 258,743,791</u>	<u>\$ (1,236,395)</u>
EXPENDITURES				
Current:				
General government:				
Legislative	\$ 1,623,098	\$ 1,623,098	\$ 1,588,061	\$ 35,037
Executive	1,104,943	1,074,649	970,287	104,362
Financial and administrative	33,168,091	34,117,445	32,716,007	1,401,438
Legal counsel	1,601,492	1,601,492	1,532,419	69,073
Comprehensive planning	3,232,784	3,233,984	2,729,775	504,209
Court related	19,023,597	19,107,605	18,746,432	361,173
Other general government	15,225,926	15,947,613	13,701,788	2,245,825
Total general government	<u>\$ 74,979,931</u>	<u>\$ 76,705,886</u>	<u>\$ 71,984,769</u>	<u>\$ 4,721,117</u>

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

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
Expenditures (continued)				
Public safety:				
Law enforcement	\$ 52,040,003	\$ 53,752,424	\$ 54,041,751	\$ (289,327)
Detention and/or correction	43,633,749	43,527,545	43,568,614	(41,069)
Protective inspections	1,315,205	1,315,205	1,227,168	88,037
Emergency and disaster relief services	2,163,117	2,936,230	1,832,543	1,103,687
Medical examiner	2,052,523	2,102,621	1,939,307	163,314
Total public safety	\$ 101,204,597	\$ 103,634,025	\$ 102,609,383	\$ 1,024,642
Physical environment:				
Conservation and resource management	\$ 3,612,340	\$ 3,625,840	\$ 3,308,027	\$ 317,813
Transportation:				
Road and street facilities	\$ 7,821,444	\$ 7,821,057	\$ 6,736,649	\$ 1,084,408
Airports	658,832	657,830	859,629	(201,799)
Total transportation	\$ 8,480,276	\$ 8,478,887	\$ 7,596,278	\$ 882,609
Economic environment:				
Industry development	\$ 1,400,050	\$ 1,400,050	\$ 1,400,050	\$ 0
Veterans' services	319,524	319,524	287,191	32,333
Total economic environment	\$ 1,719,574	\$ 1,719,574	\$ 1,687,241	\$ 32,333
Human services:				
Health	\$ 11,200,617	\$ 11,217,707	\$ 10,959,148	\$ 258,559
Mental health	2,427,670	2,427,670	2,348,678	78,992
Public assistance	2,019,006	2,835,902	2,364,454	471,448
Developmental disabilities	76,246	76,246	76,615	(369)
Total human services	\$ 15,723,539	\$ 16,557,525	\$ 15,748,895	\$ 808,630
Culture and recreation:				
Parks and recreation	\$ 10,401,737	\$ 12,916,107	\$ 8,085,705	\$ 4,830,402
Intergovernmental	\$ 7,817,071	\$ 7,817,071	\$ 7,701,067	\$ 116,004
Debt service:				
Principal	\$ 1,104,753	\$ 304,702	\$ 290,764	\$ 13,938
Interest	25,703	27,828	42,816	(14,988)
Total debt service	\$ 1,130,456	\$ 332,530	\$ 333,580	\$ (1,050)
Total expenditures	\$ 225,069,521	\$ 231,787,445	\$ 219,054,945	\$ 12,732,500
Excess of revenues over expenditures	\$ 32,778,362	\$ 28,192,741	\$ 39,688,846	\$ 11,496,105
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 8,064,692	\$ 8,669,687	\$ 8,398,812	\$ (270,875)
Transfers out	(38,628,805)	(39,588,206)	(39,098,109)	490,097
Proceeds of the sale of capital assets	55,000	55,000	140,100	85,100
Insurance proceeds	33,000	211,783	260,295	48,512
Capital leases issued	0	892,091	782,679	(109,412)
Capital related debt issued	0	1,587,021	0	(1,587,021)
Total other financing sources and uses	\$ (30,476,113)	\$ (28,172,624)	\$ (29,516,223)	\$ (1,343,599)
Net change in fund balances	\$ 2,302,249	\$ 20,117	\$ 10,172,623	\$ 10,152,506
Fund balances - beginning	39,825,230	39,825,230	39,825,230	0
Increase in non-spendable	0	0	141,938	141,938
Fund balances - ending	\$ 42,127,479	\$ 39,845,347	\$ 50,139,791	\$ 10,294,444

BREVARD COUNTY, FLORIDA
EMERGENCY SERVICES

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 11,632,357	\$ 11,632,357	\$ 11,256,059	\$ (376,298)
Permits, fees and special assessments	22,698,862	22,713,862	22,353,237	(360,625)
Intergovernmental revenues	3,323,313	3,323,313	3,151,064	(172,249)
Charges for services	18,350,004	18,350,004	17,529,608	(820,396)
Fines and forfeits	150,000	150,000	324,565	174,565
Miscellaneous revenues	498,386	572,597	466,832	(105,765)
Total revenues	<u>\$ 56,652,922</u>	<u>\$ 56,742,133</u>	<u>\$ 55,081,365</u>	<u>\$ (1,660,768)</u>
EXPENDITURES				
Current:				
Public safety	\$ 67,565,664	\$ 69,807,640	\$ 65,210,901	\$ 4,596,739
Intergovernmental	204,436	204,436	209,661	(5,225)
Debt service:				
Principal	20,600	30,320	21,487	8,833
Interest	2,255	2,255	1,782	473
Total expenditures	<u>\$ 67,792,955</u>	<u>\$ 70,044,651</u>	<u>\$ 65,443,831</u>	<u>\$ 4,600,820</u>
Deficiency of revenues under expenditures	<u>\$ (11,140,033)</u>	<u>\$ (13,302,518)</u>	<u>\$ (10,362,466)</u>	<u>\$ 2,940,052</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 9,701,264	\$ 9,701,264	\$ 9,719,146	\$ 17,882
Transfers out	(1,781,573)	(2,218,091)	(1,911,458)	306,633
Proceeds of the sale of capital assets	19,500	19,500	465,846	446,346
Insurance proceeds	0	0	208,972	208,972
Total other financing sources and uses	<u>\$ 7,939,191</u>	<u>\$ 7,502,673</u>	<u>\$ 8,482,506</u>	<u>\$ 979,833</u>
Net change in fund balances	\$ (3,200,842)	\$ (5,799,845)	\$ (1,879,960)	\$ 3,919,885
Fund balances - beginning	15,948,650	15,948,650	15,948,650	0
Increase in non-spendable	0	0	1,086,094	1,086,094
Fund balances - ending	<u>\$ 12,747,808</u>	<u>\$ 10,148,805</u>	<u>\$ 15,154,784</u>	<u>\$ 5,005,979</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, 2018

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes	\$ 12,422,549	\$ 12,422,549	\$ 12,215,156	\$ (207,393)
Permits, fees and special assessments	6,282,250	6,282,250	6,112,145	(170,105)
Intergovernmental revenues	9,511,609	10,283,185	10,129,390	(153,795)
Charges for services	2,637,264	3,165,174	3,068,293	(96,881)
Miscellaneous revenues	395,701	397,972	894,340	496,368
Total revenues	\$ 31,249,373	\$ 32,551,130	\$ 32,419,324	\$ (131,806)
EXPENDITURES				
Current:				
Transportation	\$ 60,813,103	\$ 70,493,217	\$ 32,991,814	\$ 37,501,403
Intergovernmental	200,000	318,130	298,287	19,843
Debt service:				
Principal	5,455,000	5,500,000	5,500,000	0
Interest	3,041,481	3,002,085	3,001,584	501
Total expenditures	\$ 69,509,584	\$ 79,313,432	\$ 41,791,685	\$ 37,521,747
Deficiency of revenues under expenditures	\$ (38,260,211)	\$ (46,762,302)	\$ (9,372,361)	\$ 37,389,941
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 7,230,386	\$ 7,730,024	\$ 7,728,492	\$ (1,532)
Transfers out	(335,608)	(335,608)	(335,608)	0
Proceeds of the sale of capital assets	43,779	43,779	111,606	67,827
Insurance proceeds	0	0	96,464	96,464
Total other financing sources and uses	\$ 6,938,557	\$ 7,438,195	\$ 7,600,954	\$ 162,759
Net change in fund balances	\$ (31,321,654)	\$ (39,324,107)	\$ (1,771,407)	\$ 37,552,700
Fund balances - beginning	68,803,874	68,803,874	68,803,874	0
Decrease in non-spendable	0	0	(748)	(748)
Fund balances - ending	\$ 37,482,220	\$ 29,479,767	\$ 67,031,719	\$ 37,551,952

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

BREVARD COUNTY, FLORIDA
SAVE OUR INDIAN RIVER LAGOON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 34,000,000	\$ 45,126,979	\$ 46,644,484	\$ 1,517,505
Intergovernmental revenues	0	2,262,211	0	(2,262,211)
Miscellaneous revenues	401,251	401,251	441,656	40,405
Total revenues	<u>\$ 34,401,251</u>	<u>\$ 47,790,441</u>	<u>\$ 47,086,140</u>	<u>\$ (704,301)</u>
EXPENDITURES				
Current:				
Physical environment	\$ 44,548,859	\$ 31,745,857	\$ 2,211,022	\$ 29,534,835
Intergovernmental	0	25,016,643	1,463,014	23,553,629
Total expenditures	<u>\$ 44,548,859</u>	<u>\$ 56,762,500</u>	<u>\$ 3,674,036</u>	<u>\$ 53,088,464</u>
Net change in fund balances	\$ (10,147,608)	\$ (8,972,059)	\$ 43,412,104	\$ 52,384,163
Fund balances - beginning	<u>31,831,347</u>	<u>31,831,347</u>	<u>31,831,347</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 21,683,739</u></u>	<u><u>\$ 22,859,288</u></u>	<u><u>\$ 75,243,451</u></u>	<u><u>\$ 52,384,163</u></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, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 65,296,434	\$ 72,942,769	\$ 24,151,682	\$ (48,791,087)
Miscellaneous revenues	5,500	5,500	63,165	57,665
Total revenues	<u>\$ 65,301,934</u>	<u>\$ 72,948,269</u>	<u>\$ 24,214,847</u>	<u>\$ (48,733,422)</u>
EXPENDITURES				
Current:				
Public safety	\$ 1,761,161	\$ 2,521,370	\$ 2,149,681	\$ 371,689
Physical environment	23,118,309	25,192,605	4,463,468	20,729,137
Transportation	29,722,705	29,246,159	12,198,093	17,048,066
Economic environment	5,597,754	5,280,831	2,310,061	2,970,770
Human services	1,833,809	3,328,144	1,837,805	1,490,339
Culture and recreation	773,736	3,649,865	2,807,325	842,540
Intergovernmental	884,297	1,424,829	1,044,475	380,354
Debt service:				
Principal	142,204	152,204	80,000	72,204
Interest	64,960	74,960	36,623	38,337
Total expenditures	<u>\$ 63,898,935</u>	<u>\$ 70,870,967</u>	<u>\$ 26,927,531</u>	<u>\$ 43,943,436</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,402,999</u>	<u>\$ 2,077,302</u>	<u>\$ (2,712,684)</u>	<u>\$ (4,789,986)</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 14,675	\$ 14,675	\$ 14,675	\$ 0
Transfers out	(112,556)	(112,556)	(14,675)	97,881
Proceeds of the sale of capital assets	0	0	1,264	1,264
Capital related debt issued	1,648,000	1,302,757	1,291,947	(10,810)
Total other financing sources and uses	<u>\$ 1,550,119</u>	<u>\$ 1,204,876</u>	<u>\$ 1,293,211</u>	<u>\$ 88,335</u>
Net change in fund balances	\$ 2,953,118	\$ 3,282,178	\$ (1,419,473)	\$ (4,701,651)
Fund balances - beginning	(10,673,823)	(10,673,823)	(10,673,823)	0
Decrease in non-spendable	0	0	(22,494)	(22,494)
Fund balances - ending	<u>\$ (7,720,705)</u>	<u>\$ (7,391,645)</u>	<u>\$ (12,115,790)</u>	<u>\$ (4,724,145)</u>

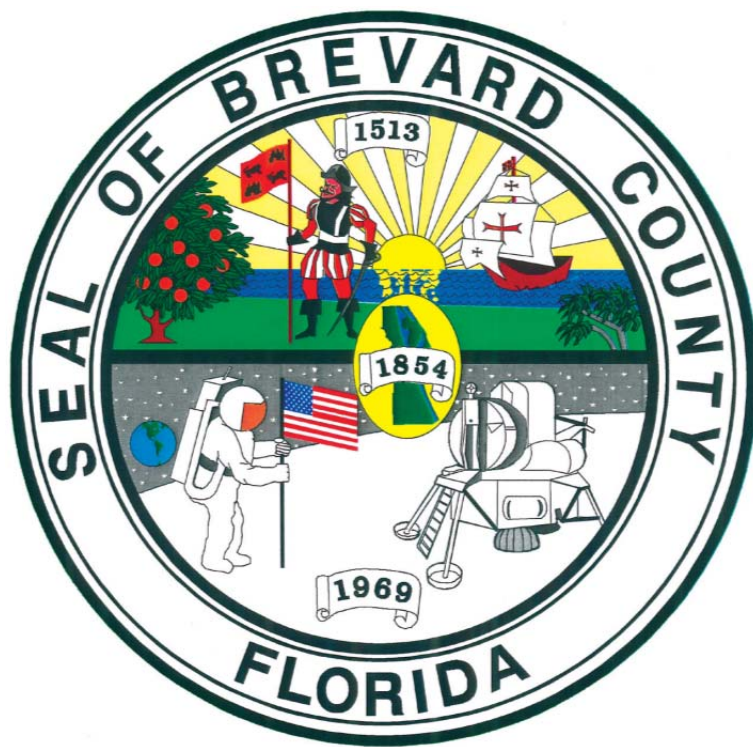
The accompanying notes to the financial statements are an integral part of this statement.

BREVARD COUNTY, FLORIDA
EDUCATION IMPACT FEES

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Permits, fees and special assessments	\$ 10,796,116	\$ 10,796,116	\$ 12,177,423	\$ 1,381,307
Miscellaneous revenues	<u>267,940</u>	<u>270,262</u>	<u>137,146</u>	<u>(133,116)</u>
Total revenues	<u>\$ 11,064,056</u>	<u>\$ 11,066,378</u>	<u>\$ 12,314,569</u>	<u>\$ 1,248,191</u>
EXPENDITURES				
Current:				
Intergovernmental	<u>\$ 17,964,394</u>	<u>\$ 18,139,580</u>	<u>\$ 16,720,164</u>	<u>\$ 1,419,416</u>
Deficiency of revenues under expenditures	<u>\$ (6,900,338)</u>	<u>\$ (7,073,202)</u>	<u>\$ (4,405,595)</u>	<u>\$ 2,667,607</u>
OTHER FINANCING USES				
Transfers out	<u>\$ (35,627)</u>	<u>\$ (35,627)</u>	<u>\$ (34,095)</u>	<u>\$ 1,532</u>
Net change in fund balances	<u>\$ (6,935,965)</u>	<u>\$ (7,108,829)</u>	<u>\$ (4,439,690)</u>	<u>\$ 2,669,139</u>
Fund balances - beginning	<u>7,645,934</u>	<u>7,645,934</u>	<u>7,645,934</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 709,969</u></u>	<u><u>\$ 537,105</u></u>	<u><u>\$ 3,206,244</u></u>	<u><u>\$ 2,669,139</u></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, 2018

	<i>Business-type</i>	
	<u><i>Solid Waste Management Department</i></u>	<u><i>Water Resources Department</i></u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 21,814,237	\$ 36,529,643
Cash with escrow and paying agent	0	0
Accounts receivable (net of allowance for uncollectibles)	1,634,440	194,551
Accrued interest receivable	0	0
Due from other funds	684,432	130,023
Due from other governmental units	571,246	10,166,996
Inventories	241,265	644,174
Prepaid items	1,444,754	32,187
Restricted assets:		
Cash and cash equivalents	34,411,598	2,128,644
Total current assets	<u>\$ 60,801,972</u>	<u>\$ 49,826,218</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 27,355,205	\$ 3,152,795
Easements	0	52,108
Goodwill	0	0
Construction in progress	14,456,025	59,589,286
Buildings and structures	27,678,098	21,983,333
Infrastructure	27,059,389	16,642,420
Improvements to land	566,484	0
Improvements other than buildings	16,890,708	279,974,612
Machinery and equipment	22,477,691	14,993,027
Less accumulated depreciation	(42,014,096)	(187,940,165)
Advances to other funds	8,590,999	567,077
Total noncurrent assets	<u>\$ 103,060,503</u>	<u>\$ 209,014,493</u>
Total assets	<u>\$ 163,862,475</u>	<u>\$ 258,840,711</u>
DEFERRED OUTFLOWS OF RESOURCES		
Refunding	\$ 0	\$ 0
Pensions	2,107,835	2,242,714
Total deferred outflows of resources	<u>\$ 2,107,835</u>	<u>\$ 2,242,714</u>

<i>Activities - Enterprise Funds</i>		<i>Governmental Activities- Internal Service Funds</i>
<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 8,301,884	\$ 66,645,764	\$ 63,961,362
0	0	1,125,191
456,433	2,285,424	209,266
1,463	1,463	0
0	814,455	2,942,763
13,035,438	23,773,680	832,154
88,018	973,457	0
44,779	1,521,720	2,274,582
673,712	37,213,954	0
<u>\$ 22,601,727</u>	<u>\$ 133,229,917</u>	<u>\$ 71,345,318</u>
\$ 6,734,864	\$ 37,242,864	\$ 0
0	52,108	0
940,130	940,130	0
672,524	74,717,835	0
5,408,133	55,069,564	0
0	43,701,809	0
4,893,180	5,459,664	0
17,120,422	313,985,742	0
26,290,333	63,761,051	7,372,764
(39,555,713)	(269,509,974)	(6,483,255)
0	9,158,076	0
<u>\$ 22,503,873</u>	<u>\$ 334,578,869</u>	<u>\$ 889,509</u>
<u>\$ 45,105,600</u>	<u>\$ 467,808,786</u>	<u>\$ 72,234,827</u>
\$ 18,444	\$ 18,444	\$ 0
1,676,128	6,026,677	1,042,834
<u>\$ 1,694,572</u>	<u>\$ 6,045,121</u>	<u>\$ 1,042,834</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2018

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
LIABILITIES		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 1,377,834	\$ 4,887,824
Accrued interest payable	19,190	79,008
Due to other funds	0	0
Unearned revenue	0	0
Customer deposits	453,692	506,075
Claims payable	0	0
Accrued compensated absences	87,466	74,226
Revenue bonds	650,000	530,000
Total current liabilities	<u>\$ 2,588,182</u>	<u>\$ 6,077,133</u>
Noncurrent liabilities:		
Claims payable	\$ 0	\$ 0
Landfill closure and postclosure care	53,932,181	0
Accrued compensated absences	645,751	601,685
Total OPEB liability	514,637	530,570
Net pension liability	5,397,882	5,726,770
Advances from other funds	0	0
State revolving loan payable	0	32,744,488
Revenue bonds payable (net of unamortized premium and discount)	8,270,000	24,175,639
Total noncurrent liabilities	<u>\$ 68,760,451</u>	<u>\$ 63,779,152</u>
Total liabilities	<u>\$ 71,348,633</u>	<u>\$ 69,856,285</u>
DEFERRED INFLOWS OF RESOURCES		
OPEB	\$ 229,069	\$ 236,161
Pensions	686,742	721,842
Total deferred inflows of resources	<u>\$ 915,811</u>	<u>\$ 958,003</u>
NET POSITION		
Net investment in capital assets	\$ 85,549,504	\$ 150,997,289
Restricted for:		
Debt service	0	122,569
Renewal and replacement	0	1,500,000
Unrestricted	8,156,362	37,649,279
Total net position	<u>\$ 93,705,866</u>	<u>\$ 190,269,137</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</i>
<i>Other Business-type Activities</i>	<i>Total</i>	<i>Activities- Internal Service Funds</i>
\$ 2,699,796	\$ 8,965,454	\$ 1,243,085
139,709	237,907	0
1,900,421	1,900,421	0
7,190	7,190	0
63,825	1,023,592	0
0	0	8,180,677
53,060	214,752	50,741
536,000	1,716,000	0
<u>\$ 5,400,001</u>	<u>\$ 14,065,316</u>	<u>\$ 9,474,503</u>
\$ 0	\$ 0	\$ 8,241,905
0	53,932,181	0
532,552	1,779,988	295,942
505,874	1,551,081	234,216
4,244,266	15,368,918	2,699,035
8,847,461	8,847,461	0
0	32,744,488	0
10,248,000	42,693,639	0
<u>\$ 24,378,153</u>	<u>\$ 156,917,756</u>	<u>\$ 11,471,098</u>
<u>\$ 29,778,154</u>	<u>\$ 170,983,072</u>	<u>\$ 20,945,601</u>
\$ 225,169	\$ 690,399	\$ 104,251
542,655	1,951,239	379,691
<u>\$ 767,824</u>	<u>\$ 2,641,638</u>	<u>\$ 483,942</u>
\$ 11,738,317	\$ 248,285,110	\$ 889,509
673,712	796,281	0
0	1,500,000	0
3,842,165	49,647,806	50,958,609
<u>\$ 16,254,194</u>	<u>\$ 300,229,197</u>	<u>\$ 51,848,118</u>
	3,171,820	
	<u>\$ 303,401,017</u>	

BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Operating revenues:		
Service fees	\$ 27,764,867	\$ 36,326,368
Operating expenses:		
Wages and benefits	\$ 8,715,070	\$ 9,196,971
Repair, maintenance, and other services	7,391,749	11,262,889
Materials and supplies	3,429,289	1,392,310
Landfill closure and postclosure care	2,578,756	0
Depreciation	4,186,391	6,289,773
Insurance claims expense	0	0
Total operating expenses	\$ 26,301,255	\$ 28,141,943
Operating income (loss)	\$ 1,463,612	\$ 8,184,425
Nonoperating revenues (expenses):		
Interest income	\$ 954,689	\$ 453,343
Interest expense	(227,785)	(884,499)
Miscellaneous revenue	500,096	94,970
Grants and matching funds	194,766	93,750
Gain (loss) on disposal of capital assets	(464,419)	106,553
Total nonoperating revenues (expenses)	\$ 957,347	\$ (135,883)
Income (loss) before contributions and transfers	\$ 2,420,959	\$ 8,048,542
Capital contributions	829,134	6,143,211
Transfers in	0	0
Transfers out	(1,322,129)	(1,679,543)
Change in net position	\$ 1,927,964	\$ 12,512,210
Net position - beginning	\$ 91,643,542	\$ 177,644,111
Cumulative effect of change in accounting principle	134,360	112,816
Net position - beginning, restated	\$ 91,777,902	\$ 177,756,927
Net position - ending	\$ 93,705,866	\$ 190,269,137

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>Other Business-type Activities</i>	<i>Total</i>	
\$ 20,654,292	\$ 84,745,527	\$ 67,514,485
\$ 7,422,842	\$ 25,334,883	\$ 4,643,215
29,935,268	48,589,906	10,704,664
2,010,716	6,832,315	334,579
0	2,578,756	0
3,003,496	13,479,660	383,421
0	0	54,434,689
\$ 42,372,322	\$ 96,815,520	\$ 70,500,568
\$ (21,718,030)	\$ (12,069,993)	\$ (2,986,083)
\$ 198,186	\$ 1,606,218	\$ 770,799
(693,570)	(1,805,854)	0
329,297	924,363	2,470,840
20,235,658	20,524,174	0
(1,215,113)	(1,572,979)	(17,214)
\$ 18,854,458	\$ 19,675,922	\$ 3,224,425
\$ (2,863,572)	\$ 7,605,929	\$ 238,342
745,320	7,717,665	14,332
2,209,453	2,209,453	3,286,940
(318,117)	(3,319,789)	(15,580)
\$ (226,916)	\$ 14,213,258	\$ 3,524,034
\$ 16,641,587		\$ 48,401,977
(160,477)		(77,893)
\$ 16,481,110		\$ 48,324,084
\$ 16,254,194		\$ 51,848,118
	(75,312)	
	\$ 14,137,946	

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Business-type</i>	
	<u>Solid Waste Management Department</u>	<u>Water Resources Department</u>
Cash flows from operating activities:		
Cash receipts for service fees	\$ 27,473,337	\$ 36,322,706
Cash receipts from other sources	445,121	89,469
Cash payments to employees for services	(8,482,519)	(8,895,604)
Cash payments to suppliers for goods and services	(11,304,640)	(12,478,072)
Cash payments for insurance claims	0	0
Net cash from operating activities	<u>\$ 8,131,299</u>	<u>\$ 15,038,499</u>
Cash flows from noncapital financing activities:		
Grant receipts	\$ 414,526	\$ 25,383
Transfers in	0	0
Transfers out	(1,322,129)	(1,679,543)
Interfund loans	934,117	130,169
Net cash flows from noncapital financing activities	<u>\$ 26,514</u>	<u>\$ (1,523,991)</u>
Cash flows from capital and related financing activities:		
Debt proceeds	\$ 0	\$ 20,020,111
Principal payments	(635,000)	(510,000)
Interest payments	(230,276)	(961,461)
Capital grant receipts	0	600,329
Payments to acquire, construct or improve capital assets	(3,812,137)	(36,201,914)
Proceeds from disposal of capital assets	64,465	170,075
Impact/connection fees for capital purposes	829,134	3,911,208
Net cash flows from capital and related financing activities	<u>\$ (3,783,814)</u>	<u>\$ (12,971,652)</u>
Cash flows from investing activities:		
Interest income	<u>\$ 795,902</u>	<u>\$ 452,213</u>
Net increase (decrease) in cash and cash equivalents	\$ 5,169,901	\$ 995,069
Cash and cash equivalent, October 1, 2017	<u>51,055,934</u>	<u>37,663,218</u>
Cash and cash equivalents, September 30, 2018	<u><u>\$ 56,225,835</u></u>	<u><u>\$ 38,658,287</u></u>

<i>Activities - Enterprise Funds</i>		<i>Governmental Activities- Internal Service Funds</i>
<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 20,706,628	\$ 84,502,671	\$ 64,843,772
163,925	698,515	2,704,924
(7,171,893)	(24,550,016)	(4,475,892)
(32,361,460)	(56,144,172)	(11,443,026)
0	0	(55,884,418)
<u>\$ (18,662,800)</u>	<u>\$ 4,506,998</u>	<u>\$ (4,254,640)</u>
\$ 22,083,876	\$ 22,523,785	\$ 14,771
2,209,453	2,209,453	3,286,940
(318,117)	(3,319,789)	(15,580)
(67,534)	996,752	279,781
<u>\$ 23,907,678</u>	<u>\$ 22,410,201</u>	<u>\$ 3,565,912</u>
\$ 56,269	\$ 20,076,380	\$ 0
(829,269)	(1,974,269)	0
(625,552)	(1,817,289)	0
738,905	1,339,234	0
(3,829,160)	(43,843,211)	(249,150)
381,605	616,145	403
6,415	4,746,757	0
<u>\$ (4,100,787)</u>	<u>\$ (20,856,253)</u>	<u>\$ (248,747)</u>
<u>\$ 198,186</u>	<u>\$ 1,446,301</u>	<u>\$ 770,799</u>
\$ 1,342,277	\$ 7,507,247	\$ (166,676)
<u>7,633,319</u>	<u>96,352,471</u>	<u>65,253,229</u>
<u>\$ 8,975,596</u>	<u>\$ 103,859,718</u>	<u>\$ 65,086,553</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	\$ 1,463,612	\$ 8,184,425
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation expense	\$ 4,186,391	\$ 6,289,773
Miscellaneous revenue	500,096	94,970
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(422,460)	(3,598)
(Increase) decrease in due from other funds	0	0
(Increase) decrease in due from other governmental units	0	(58,673)
(Increase) decrease in prepaid items	(351,714)	(1,131)
(Increase) decrease in inventory of supplies	(7,367)	44,321
(Increase) decrease in deferred outflows	104,172	113,692
Increase (decrease) in vouchers and contracts payable	(118,217)	137,389
Increase (decrease) in due to other governmental units	0	0
Increase (decrease) in unearned revenue	0	0
Increase (decrease) in customer deposits	61,650	49,656
Increase (decrease) in claims payable	0	0
Increase (decrease) in landfill closure and postclosure care	2,572,037	0
Increase (decrease) in accrued compensated absences	(30,772)	(4,255)
Increase (decrease) in total OPEB liability	(264,951)	(273,154)
Increase (decrease) in net pension liability	(18,672)	(20,379)
Increase (decrease) in deferred inflows	457,494	485,463
Total adjustments	\$ 6,667,687	\$ 6,854,074
Net cash from operating activities	\$ 8,131,299	\$ 15,038,499
Noncash investing, capital and financing activities:		
Capital contributed by developers, individuals, and governmental entities	\$ 0	\$ 1,864,809
Fair value of traded in capital assets added to the value of new assets	\$ 254,000	\$ 4,722
Proceeds of refunding debt	\$ 0	\$ 0
Principal paid from refunding debt proceeds	\$ 0	\$ 0

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

<u>Activities - Enterprise Funds</u>		<u>Governmental</u>
<u>Other</u>		<u>Activities-</u>
<u>Business-type</u>		<u>Internal</u>
<u>Activities</u>	<u>Total</u>	<u>Service Funds</u>
\$ (21,718,030)	\$ (12,069,993)	\$ (2,986,083)
\$ 3,003,496	\$ 13,479,660	\$ 383,421
329,297	924,363	2,470,840
(157,402)	(583,460)	213,056
0	0	(1,101,858)
89,695	31,022	19,528
(23,721)	(376,566)	(815,714)
(12,160)	24,794	0
85,132	302,996	59,275
(422,836)	(403,664)	(478,997)
(4,356)	(4,356)	0
7,190	7,190	0
(4,975)	106,331	0
0	0	(2,136,277)
0	2,572,037	0
29,727	(5,300)	15,149
(260,440)	(798,545)	(120,581)
(15,259)	(54,310)	(10,625)
411,842	1,354,799	234,226
<u>\$ 3,055,230</u>	<u>\$ 16,576,991</u>	<u>\$ (1,268,557)</u>
<u>\$ (18,662,800)</u>	<u>\$ 4,506,998</u>	<u>\$ (4,254,640)</u>
<u>\$ 138,987</u>	<u>\$ 2,003,796</u>	<u>\$ 0</u>
<u>\$ 2,922</u>	<u>\$ 261,644</u>	<u>\$ 0</u>
<u>\$ 9,643,731</u>	<u>\$ 9,643,731</u>	<u>\$ 0</u>
<u>\$ (9,643,731)</u>	<u>\$ (9,643,731)</u>	<u>\$ 0</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2018

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 24,108,474
Accounts receivable	1,165,660
Due from other governmental units	4,097
Total assets	<u>\$ 25,278,231</u>
LIABILITIES	
Due to employees, individuals, and others	\$ 10,921,682
Due to other governmental units	4,174,096
Escrow and refundable deposits	10,182,453
Total liabilities	<u>\$ 25,278,231</u>

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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 and 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 three members of the Economic Development Zone's board. The Board of County Commissioners (Board) appoints six 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.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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 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. 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.

The Titusville-Cocoa Airport Authority and Brevard County Housing Finance Authority issue separate complete financial statements, and those reports may be obtained at their respective administrative offices. No separately issued statements are prepared for the other component units.

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, 2018.

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 Statement 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

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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.

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). Revenues not available, within the sixty or ninety day period, are reported on the Balance Sheet as Deferred Inflows of Resources.

The primary revenue sources for governmental funds are state revenue sharing funds, sales tax, 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 recorded when a liability is incurred, except debt service expenditures, compensated absences expenditures, and claims and judgments which 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 the purpose of the 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.

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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 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.
- **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** - Includes 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 within the General Fund. Unassigned fund balances 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 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, not required 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 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.

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Save Our Indian River Lagoon - The Save Our Indian River Lagoon Special Revenue Fund is used to account for the voter approved half-cent discretionary infrastructure sales tax, levied for a period of ten years, in order to improve the water quality, fish, wildlife and marine habitat, remove muck, and reduce pollution in the Indian River Lagoon, in accordance with County Ordinance 2016-15.

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

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.

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.

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. 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

The County's Budget is developed in accordance with Chapters 129 and 200 of the Florida Statutes. Chapter 129, Florida Statutes, provides directions for budget development; Chapter 200, Florida Statutes, provides specific direction for the annual levy of property taxes. Additionally, the County complies with requirements of the Brevard County Charter.

The Supervisor of Elections and Sheriff submit, for approval, 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 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 submitted to the Florida Clerks of Court Operations Corporation by June 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.

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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.

On July 1, the Property Appraiser certifies the taxable value, which begins the Florida Truth in Millage (TRIM) timetable. During the month of July, the County Manager delivers a tentative budget to the Board of County Commissioners, and within 35 days of certification of value, the Property Appraiser is informed of the current year proposed millage rates, along with the date, time and meeting place of the tentative budget hearing. During the month of September, the Board of County Commissioners holds two public hearings to hear comments from taxpayers and adopt millage rates and the annual budget. 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 \$115,906,770 were enacted during the fiscal year primarily due to the issuance of refunding bonds, authorizing the appropriation of proceeds from grant revenues, unbudgeted balance forwards and increased revenue estimates of the half-cent discretionary sales tax generated for Save Our Indian River Lagoon.

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 financial statements, are offset by non-spendable fund balance in the general fund only 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 acquisition value at the date of donation.

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<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 and equipment	1,000
Computers	750
Weapons	Capitalize all

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 and equipment	3-10

Under generally accepted accounting principles, 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 91% 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 State law, bond resolutions and agreements with various parties. Examples include – assets set aside for debt service, renewal and replacement reserves, and landfill closure and postclosure care. Assets so designated are identified as restricted assets on the Statement of Net Position.

I. Inventory and Prepaid Items

Inventory is valued at cost. Cost is determined for 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.

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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, except prepaid items purchased by the Clerk of the Circuit Court and the Property Appraiser which are recorded as expenditures when consumed.

J. Cash and Cash Equivalents

Cash and cash equivalents represents the cash from funds pooled together for investment purposes. All participating funds in the investment pool have the ability to deposit and withdraw cash as if they were demand deposit accounts and therefore represents their equity in the investment pool. Non-pooled investments with original maturities of three months or less are also considered to be cash equivalents for the statement of cash flows.

K. Investments

Investments include non-pooled investments and certificates of deposit with original maturities of three months or greater. Investments are valued at fair market value or amortized cost in accordance with GASB Statements No. 31 and No. 72. 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 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.

In addition to liabilities, the Balance Sheet and the Statement of Net Position include separate sections for deferred inflows of resources. This represents an acquisition of fund balance and net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

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.

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.

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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 period the debt is issued. 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, liabilities, deferred outflows and inflows of resources, 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 Funds Balance Sheet and the government-wide Statement of Net Position.

The Governmental Funds 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 governmental funds.” The details of this \$(468,212,374) difference are as follows:

Bonds and revenue notes payable	\$ (203,113,834)
Less: Discounts (to be amortized as interest expense)	43,532
Plus: Premiums (to be amortized as interest expense)	(1,350,383)
Deferred charge on refunding (to be amortized as interest expense)	1,457,524
Accrued interest payable	(1,407,374)
Leases payable	(863,364)
Accrued compensated absences	(34,774,450)
HUD Section 108 loan payable	(3,148,115)
Total OPEB liability	(16,312,197)
Net pension liability	(283,369,587)
Deferred inflows OPEB	(3,988,396)
Deferred outflows pensions	112,512,233
Deferred inflows pensions	(33,897,963)
Net adjustment to <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (468,212,374)</u>

B. Explanation of certain differences between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities.

The Governmental Funds 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.”

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The details of this \$10,992,692 difference are as follows:

Capital outlay	\$ 45,675,316
Depreciation expense	<u>(34,682,624)</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>\$ 10,992,692</u>

Another element of the reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (e.g. sales, trade-ins, and donations)” is to increase net position. The details of this \$11,706,610 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 net book value of the capital assets sold.	\$ (1,896,838)
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>13,603,448</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>\$ 11,706,610</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 \$15,082,494 difference are as follows:

Issuance of bonds and revenue notes	\$ (37,620,000)
Discount on bond issuance	50,525
Issuance of capital lease	(814,276)
HUD Section 108 loan issued	(1,291,947)
Principal repayments:	
Bonds and revenue notes	21,545,555
Capital lease	297,637
Notes payable	20,425,000
HUD Section 108	80,000
Bond refunding repayment	<u>12,410,000</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>\$ 15,082,494</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 \$(18,592,195) difference are as follows:

Accrued compensated absences	\$ (2,573,679)
OPEB Expense	698,044
Pension Expense	(16,125,336)
Accrued interest	(152,211)
Amortization of deferred charge on refunding	(533,518)
Amortization of bond discounts/premium	<u>94,505</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>\$ (18,592,195)</u>

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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, 2018, is as follows:

	General Fund	Emergency Services	Brevard County Transportation Trust	Save Our Indian River Lagoon	Grants	Education Impact Fees	Other Governmental Funds	Total
Non-spendable:								
Inventory	\$ 2,772,200	\$ 996,592	\$ 60,696	\$ 0	\$ 0	\$ 0	\$ 1,309,162	\$ 5,138,650
Prepays/deposits	412,561	1,238,791	0	0	146,453	0	71,122	1,868,927
Total non-spendable fund balance	\$ 3,184,761	\$ 2,235,383	\$ 60,696	\$ 0	\$ 146,453	\$ 0	\$ 1,380,284	\$ 7,007,577
Restricted:								
Impact fees	\$ 0	\$ 1,474,111	\$ 10,398,469	\$ 0	\$ 0	\$ 3,206,244	\$ 0	\$ 15,078,824
Fire rescue operations	0	4,888,930	0	0	0	0	0	4,888,930
Emergency communications	0	6,303,045	0	0	0	0	0	6,303,045
Road maintenance and improvements	0	0	46,024,963	0	0	0	8,223,786	54,248,749
Parks and recreation	0	0	0	0	0	0	15,516,508	15,516,508
Bond covenants or debt service	253,000	0	1,417,932	0	0	0	4,348,625	6,019,557
Tourism promotion and development	0	0	0	0	0	0	15,827,238	15,827,238
General capital facilities	0	0	0	0	0	0	790,371	790,371
Court records and judicial	0	0	0	0	0	0	1,141,831	1,141,831
Building code compliance	0	0	0	0	0	0	7,022,343	7,022,343
Law enforcement	0	0	0	0	0	0	3,069,973	3,069,973
Mosquito control	0	0	0	0	0	0	3,081,873	3,081,873
Libraries	0	0	0	0	0	0	9,121,573	9,121,573
Fines and court costs	0	0	0	0	0	0	3,852,879	3,852,879
Physical environment	0	0	0	75,243,451	0	0	14,868,125	90,111,576
Housing and human services	0	0	0	0	144,919	0	3,749,950	3,894,869
Total restricted fund balance	\$ 253,000	\$ 12,666,086	\$ 57,841,364	\$ 75,243,451	\$ 144,919	\$ 3,206,244	\$ 90,615,075	\$ 239,970,139
Committed:								
General capital facilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 965,811	\$ 965,811
Assigned:								
Road maintenance and improvements	\$ 0	\$ 0	\$ 9,129,659	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,129,659
Parks and recreation	3,367,626	0	0	0	0	0	0	3,367,626
Emergency management	1,126,314	0	0	0	0	0	0	1,126,314
Court and judicial	279,296	0	0	0	0	0	0	279,296
Rescue services	0	253,315	0	0	0	0	0	253,315
Permitting and engineering	3,442,834	0	0	0	0	0	0	3,442,834
Environment	1,409,129	0	0	0	0	0	0	1,409,129
Airport	240,491	0	0	0	0	0	0	240,491
Housing and human services	323,252	0	0	0	0	0	0	323,252
Total assigned fund balance	\$ 10,188,942	\$ 253,315	\$ 9,129,659	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,571,916
Unassigned fund balance	\$ 36,513,088	\$ 0	\$ 0	\$ 0	\$ (12,407,162)	\$ 0	\$ 0	\$ 24,105,926
Total fund balances	\$ 50,139,791	\$ 15,154,784	\$ 67,031,719	\$ 75,243,451	\$ (12,115,790)	\$ 3,206,244	\$ 92,961,170	\$ 291,621,369

BREVARD COUNTY, FLORIDA
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4. Cash - Monies available within various funds were consolidated for investment purposes. The amount of public funds invested and types of securities managed are discussed in Note 5. Substantially, all operating cash at September 30, 2018 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 1.23% to 2.22%.

Cash with escrow and paying agent of \$1,125,191 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 125.01 and 218.415, Florida Statutes. County Ordinance 16-14 permits investing 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, Commercial Paper, Municipal Bonds, Intergovernmental Investment Pools, Supranationals, Asset-Backed Securities 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 (Florida Prime) - 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 Bank Instruments, Asset-Backed Security and Commercial Paper. The SBA's Florida Prime 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 33 days, as of September 30, 2018. On September 30, 2018, the County had \$71,321,812 invested in Florida Prime.

The County has invested funds in three other Local Government Investment Pools (LGIP); the Florida Cooperative Liquid Assets Securities System (FLCLASS), the Florida Fixed Income Trust (FLFIT) and the Florida Education Investment Trust Fund (FEITF). These LGIP were created as public entity investment trusts organized under the laws of the State of Florida, Section 163.01, Florida Statutes. These LGIP are also 2a7-like pools, which are not registered with the SEC but operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, governing money market accounts. Thus, these pools operate essentially as money market funds and maintain a net asset value of \$1.00. At September 30, 2018, FLFIT had a balance of \$70,402,523, with a weighted average maturity of 120 days; the FEITF had a balance of \$46,540,751, with a weighted average maturity of 37 days; FLCLASS had a balance of \$7,945,630, with a weighted average maturity of 50 days.

The LGIP's have all established policies and guidelines regarding participant transactions and the authority for the Trustees to limit or restrict withdrawals from, or to impose penalties for early withdrawal, within their respective LGIP's. As of September 30, 2018, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Custodial Risk

The bank amount of the County's demand deposits were \$40,434,422 at September 30, 2018. 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, Municipal Bonds, U.S. Treasury Notes, Supranationals, Asset-Backed Securities and all federal agency obligations are held by the County's agent in the County's name.

BREVARD COUNTY, FLORIDA
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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 40% per issuer. Supranationals, Asset-Backed Securities, Municipal Bonds and Corporate Notes are limited to 5% per issuer.

Credit quality risk results from the potential default of investments that are not financially sound. The County's overall credit rating of the assets held by the County by Standard & Poor's is AA. The County's policy requires that Corporate Notes must have a minimum rating in category "A" by either Moody's or Standard & Poor's. The Corporate Notes currently held in the portfolio have a Standard & Poor's rating of A. The credit quality of the federal agency securities is AA+, municipal bonds is AA-, Supranationals is AAA, and Asset-Backed securities is AAA, as rated by Standard & Poor's. The Local Government Investment Pool's Florida Prime, FEITF and FLCLASS were rated AAAM, and FLFIT was rated AAAF by Standard & Poor's, at September 30, 2018.

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 1.16 years.

As of September 30, 2018, the County had the following investments and maturities:

	Fair Value	Less Than 1 Year	1-2 Years	2-3 Years	Over 3 Years
Corporate Notes	\$ 74,457,419	\$ 10,815,751	\$ 36,394,412	\$ 25,018,267	\$ 2,228,989
Municipal Bonds	1,395,352	0	0	1,395,352	0
Federal Home Loan Bank	7,707,440	7,707,440	0	0	0
Federal Home Loan Mortgage Corp.	5,486,714	2,960,520	657,893	1,247,496	620,805
Federal National Mortgage Association	21,405,594	14,366,494	1,474,350	2,803,684	2,761,066
Asset-Backed Securities	35,843,589	0	149,936	12,491,200	23,202,453
Supranationals	17,897,098	2,746,859	7,594,236	7,556,003	0
U.S. Treasury Bonds/Notes	45,991,024	84,326	23,164,098	22,742,600	0
Money Market Accounts	10,718,252	10,718,252	0	0	0
Certificates of Deposit	46,157,142	46,157,142	0	0	0
Total	\$ 267,059,624	\$ 95,556,784	\$ 69,434,925	\$ 73,254,602	\$ 28,813,313

The County categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices based on quoted identical assets in an active market.
- Level 2: Investments reflect prices that are based on identical or similar assets in inactive markets or similar assets in active markets. Inputs other than quotes are observable.
- Level 3: Investments reflect prices based on significant unobservable inputs.

The County's investments utilize Level 2 inputs. Fair value measurement is based on pricing received from the County's third party vendor. Money Market Accounts, Intergovernmental Investment Pools, and Certificates of Deposits are not subject to the fair value hierarchy and use amortized cost. The County uses the market approach method as a valuation technique in the application of GASB Statement No. 72. This method uses prices and other relevant information generated by market transactions involving identical or similar assets or groups of assets.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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The following table presents a summary of the County's investments according to the assigned fair value hierarchy level as of September 30, 2018:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate Notes	\$ 74,457,419	\$ 0	\$ 74,457,419	\$ 0
Municipal Bonds	1,395,352	0	1,395,352	0
Federal Home Loan Bank	7,707,440	0	7,707,440	0
Federal Home Loan Mortgage Corp.	5,486,714	0	5,486,714	0
Federal National Mortgage Association	21,405,594	0	21,405,594	0
Asset-Backed Securities	35,843,589	0	35,843,589	0
Supranationals	17,897,098	0	17,897,098	0
U.S. Treasury Bonds/Notes	45,991,024	0	45,991,024	0
Total	<u>\$ 210,184,230</u>	<u>\$ 0</u>	<u>\$ 210,184,230</u>	<u>\$ 0</u>

The carrying amount of the discretely presented component units' deposits with financial institutions was \$14,633,672 and the bank balance was \$14,652,087, which is insured by FDIC or collateralized with securities held by the State Treasurer, in accordance with Chapter 280, Florida Statutes. On September 30, 2018, the component units had \$72,823 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 14 years. The fair value of the component units' Government National Mortgage Association and Federal National Mortgage Association securities on September 30, 2018 was \$376,564.

6. Receivables - The accounts receivable for the governmental activities of \$15,202,165 are net of allowances for doubtful accounts of \$5,144,237. Emergency Services charges are net of mandatory contractual adjustments in the amount of \$10,359,689 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 \$2,285,424 are net of allowances for doubtful accounts of \$112,138.

7. Tax Abatement - Pursuant to Florida Statute subsection 196.1995, Brevard County is empowered to grant economic development ad valorem tax exemptions. Under this statute and by ordinance, the County has entered into property tax abatement agreements with local businesses, through ad valorem tax exemptions under an economic development program.

In general, any exemption granted may apply up to 100 percent of the assessed value of improvements to real property and tangible personal property of such new business or added improvements. The purpose of the tax abatement is to provide an incentive to new or expanded businesses to create new jobs and generate improvements to real and personal property.

The ability to receive an exemption for the period granted is conditional upon the applicant's ability to maintain the new business or the expansion of an existing business. The applicant is required to submit an annual report evidencing satisfaction of this condition.

For the fiscal year ended September 30, 2018, the County abated property taxes totaling \$767,472 under this program.

Purpose	Amount
Manufacturing	\$ 633,148
Telecommunications	31,969
Warehousing, distribution and trucking terminals	61,357
Miscellaneous	40,998
	<u>\$ 767,472</u>

8. Prepaid Items - The prepaid items include \$2,086,017 of premiums on insurance policies, \$1,000,483 of prepayments for purchase of equipment, and \$3,757,231 of maintenance/service agreements and other prepayments.

BREVARD COUNTY, FLORIDA
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Prepaid items purchased by the Clerk of the Circuit Court and the Property Appraiser are recorded as expenditures when consumed, and are therefore not reported as part of non-spendable fund balance. Prepaid items in the General Fund for the two officers total \$637,892, and the Records Modernization Trust Fund Special Revenue Fund prepaid items total \$10,800.

9. Capital Assets

Capital assets activity for the year ended September 30, 2018, was as follows:

Primary Government				
Governmental Activities:	<u>Oct. 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2018</u>
Capital assets not depreciated:				
Land	\$ 255,527,366	\$ 4,326,868	\$ 972,036	\$ 258,882,198
Easements	570,533	137,048	0	707,581
Construction in progress	63,161,604	30,842,645	44,976,046	49,028,203
Total assets not depreciated	<u>\$ 319,259,503</u>	<u>\$ 35,306,561</u>	<u>\$ 45,948,082</u>	<u>\$ 308,617,982</u>
Capital assets depreciated:				
Buildings and structures	\$ 301,909,858	\$ 2,048,772	\$ 1,162,699	\$ 302,795,931
Infrastructure	241,514,808	43,982,119	0	285,496,927
Improvements to land	70,231,116	60,725	0	70,291,841
Improvements other than buildings	43,862,059	11,531,185	632,116	54,761,128
Machinery and equipment	196,766,370	11,638,152	7,511,411	200,893,111
Total assets depreciated	<u>\$ 854,284,211</u>	<u>\$ 69,260,953</u>	<u>\$ 9,306,226</u>	<u>\$ 914,238,938</u>
Less accumulated depreciation:				
Buildings and structures	\$ 107,344,736	\$ 8,470,258	\$ 1,105,241	\$ 114,709,753
Infrastructure	79,129,207	6,575,593	0	85,704,800
Improvements to land	29,131,863	3,056,998	0	32,188,861
Improvements other than buildings	25,430,000	2,377,509	567,906	27,239,603
Machinery and equipment	145,468,780	14,638,740	6,693,869	153,413,651
Total accumulated depreciation	<u>\$ 386,504,586</u>	<u>\$ 35,119,098</u>	<u>\$ 8,367,016</u>	<u>\$ 413,256,668</u>
Total depreciable capital assets, net	<u>\$ 467,779,625</u>	<u>\$ 34,141,855</u>	<u>\$ 939,210</u>	<u>\$ 500,982,270</u>
Total governmental activities capital assets, net	<u>\$ 787,039,128</u>	<u>\$ 69,448,416</u>	<u>\$ 46,887,292</u>	<u>\$ 809,600,252</u>
Business-type Activities:				
	<u>Oct. 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2018</u>
Capital assets not depreciated:				
Land	\$ 37,851,814	\$ 0	\$ 608,950	\$ 37,242,864
Easements	52,108	0	0	52,108
Goodwill	940,130	0	0	940,130
Construction in progress	77,246,881	34,690,863	37,219,909	74,717,835
Total assets not depreciated	<u>\$ 116,090,933</u>	<u>\$ 34,690,863</u>	<u>\$ 37,828,859</u>	<u>\$ 112,952,937</u>
Capital assets depreciated:				
Buildings and structures	\$ 55,776,337	\$ 179,531	\$ 886,304	\$ 55,069,564
Infrastructure	20,564,938	23,136,871	0	43,701,809
Improvements to land	8,826,364	25,005	3,391,705	5,459,664
Improvements other than buildings	299,736,922	15,403,260	1,154,440	313,985,742
Machinery and equipment	61,680,094	7,648,815	5,567,858	63,761,051
Total assets depreciated	<u>\$ 446,584,655</u>	<u>\$ 46,393,482</u>	<u>\$ 11,000,307</u>	<u>\$ 481,977,830</u>
Less accumulated depreciation:				
Buildings and structures	\$ 26,343,652	\$ 1,311,670	\$ 624,118	\$ 27,031,204
Infrastructure	4,034,859	1,208,307	0	5,243,166
Improvements to land	7,450,405	158,926	2,719,686	4,889,645
Improvements other than buildings	185,332,964	4,737,645	1,154,441	188,916,168
Machinery and equipment	42,096,422	6,100,940	4,767,571	43,429,791
Total accumulated depreciation	<u>\$ 265,258,302</u>	<u>\$ 13,517,488</u>	<u>\$ 9,265,816</u>	<u>\$ 269,509,974</u>
Total depreciable capital assets, net	<u>\$ 181,326,353</u>	<u>\$ 32,875,994</u>	<u>\$ 1,734,491</u>	<u>\$ 212,467,856</u>
Total business-type activities capital assets, net	<u>\$ 297,417,286</u>	<u>\$ 67,566,857</u>	<u>\$ 39,563,350</u>	<u>\$ 325,420,793</u>

BREVARD COUNTY, FLORIDA
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Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities:	
General government	\$ 6,958,673
Public safety	8,930,080
Physical environment	1,464,500
Transportation	7,564,961
Economic environment	47,463
Human services	505,155
Culture and recreation	9,211,792
Internal service funds	383,421
Total	<u>\$ 35,066,045</u>

The increase in accumulated depreciation for governmental activities of \$35,119,098 differs from depreciation expense of \$35,066,045 because of accumulated depreciation in the amount of \$53,053 associated with assets transferred from business-type activities.

Business-type Activities:	
Solid Waste Management Department	\$ 4,186,391
Water Resources Department	6,289,773
Space Coast Area Transit	2,561,654
Brevard County Golf Courses	190,100
Barefoot Bay Water and Sewer District	251,742
Total	<u>\$ 13,479,660</u>

The increase in accumulated depreciation for business-type activities of \$13,517,488 differs from depreciation expense of \$13,479,660 because of accumulated depreciation in the amount of \$37,828 associated with assets transferred from governmental activities.

Component Units	<u>Oct. 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2018</u>
Titusville-Cocoa Airport Authority				
Capital assets not depreciated:				
Land	\$ 14,493,599	\$ 0	\$ 0	\$ 14,493,599
Construction in progress	5,650,759	973,210	4,908,702	1,715,267
Total assets not depreciated	<u>\$ 20,144,358</u>	<u>\$ 973,210</u>	<u>\$ 4,908,702</u>	<u>\$ 16,208,866</u>
Capital assets depreciated:				
Buildings and structures	\$ 27,244,834	\$ 0	\$ 0	\$ 27,244,834
Improvements to land	1,614,241	0	0	1,614,241
Improvements other than buildings	31,805,884	4,945,648	0	36,751,532
Machinery and equipment	3,737,481	72,122	0	3,809,603
Total assets depreciated	<u>\$ 64,402,440</u>	<u>\$ 5,017,770</u>	<u>\$ 0</u>	<u>\$ 69,420,210</u>
Less accumulated depreciation:				
Buildings and structures	\$ 10,111,702	\$ 755,823	\$ 0	\$ 10,867,525
Improvements to land	477,017	47,445	0	524,462
Improvements other than buildings	12,172,903	987,147	0	13,160,050
Machinery and equipment	3,232,879	233,548	0	3,466,427
Total accumulated depreciation	<u>\$ 25,994,501</u>	<u>\$ 2,023,963</u>	<u>\$ 0</u>	<u>\$ 28,018,464</u>
Total depreciable capital assets, net	<u>\$ 38,407,939</u>	<u>\$ 2,993,807</u>	<u>\$ 0</u>	<u>\$ 41,401,746</u>
Total capital assets, net	<u>\$ 58,552,297</u>	<u>\$ 3,967,017</u>	<u>\$ 4,908,702</u>	<u>\$ 57,610,612</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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10. Construction and Other Significant Commitments - At September 30, 2018, the County had several uncompleted construction contracts, agreements with cities for park maintenance, and other contractual commitments as follows:

<u>Project Title</u>	<u>Remaining Committed</u>
Lagoon and beach restoration	\$ 11,539,729
Utilities services	7,455,997
Airport projects	3,445,479
Road projects	2,497,231
Parks maintenance and improvements	2,393,578
Total	<u>\$ 27,332,014</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. The total costs for finalized public safety facilities and roadway construction projects were \$9,085,919. The County and developer are expected to finalize another \$20 million for road expansion to be recovered from future impact fees within the prescribed area; however, the project payment schedule is not currently available.

The anticipated future payments are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2019	\$ 2,635,000
2020	729,041
2021	135,000
2022	135,000
2023	135,000
2024-2028	675,000
2029-2031	370,315
Total anticipated future payments	<u>\$ 4,814,356</u>

Pursuant to State statute, various local jurisdictions have created Community Redevelopment Agencies (CRAs) within the County, of which 22 are currently active, including one formed by the County and reported as a blended component unit. Funding for these agencies is derived from incremental ad valorem tax proceeds generated by improvements made within the CRA. The County is obligated to pay to each CRA from its current year's ad valorem tax proceeds the increment related to taxable property improvements made since the designated "base year." Other jurisdictions which have created CRAs are the cities of Cape Canaveral, Cocoa, Cocoa Beach, Melbourne, Palm Bay, Rockledge, Satellite Beach, Titusville and West Melbourne. The total amount paid to CRAs by the County amounted to \$5,409,520 for fiscal year 2018.

The County created the North Brevard Economic Development Zone, which is reported as a blended component unit, to facilitate economic activities through targeted investments. The Zone has entered into \$18.1 million of incentive commitments that involve retail, manufacturing and aerospace facilities. The incentive payments will be issued in financial installments when construction, job creation or other performance measures are attained. The total amount paid to the Zone by the County amounted to \$2,652,882 for fiscal year 2018.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

11. Interfund Receivable and Payable Balances - The composition of interfund balances as of September 30, 2018, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Grants	\$ 1,015,500
	Other Governmental Funds	132,469
	Other Business-type Activities	1,191,000
Emergency Services	General Fund	78,882
Brevard County Transportation Trust	Grants	1,505,000
Other Governmental Funds	General Fund	732,637
	Grants	11,716,508
	Other Governmental Funds	2,734
Solid Waste Management Department	General Fund	35,011
	Other Business-type Activities	649,421
Water Resources Department	General Fund	70,023
	Other Business-type Activities	60,000
Internal Service	General Fund	2,655,179
	Other Governmental Funds	287,584
Total Interfund Receivables and Payables		<u>\$ 20,131,948</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 2019.

12. Advances To and From Other Funds - The General Fund Advances from Other Funds represent loans from Solid Waste Management (\$103,538), Water Resources (\$207,077), and Surface Water Improvement (\$103,524) for construction of an administrative office building. The \$414,139 balance is not scheduled to be paid in fiscal year 2019. The Barefoot Bay Water and Sewer District Advances from Other Funds is a loan from the Water Resources Department (\$360,000) for the acquisition and interconnection cost of the Snug Harbor Utility System. The loan will be repaid from future revenues of the system. Solid Waste Collection Advances from Other Funds is a loan from Solid Waste Management (\$8,487,461) for expenses incurred as a result of Hurricane Matthew. The loan will be repaid from the Federal Emergency Management Agency, the State of Florida, and future revenue sources.
13. Solid Waste Landfill Closure and Postclosure Care Costs - The County owns and operates the Sarno Road Class III landfill, the Central Disposal Facility (CDF) landfill, and CDF South Cell-1 (which began accepting waste in January 2018). 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 Statement of Net Position 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, 2018, the expense for closure and postclosure care for the landfills was \$2,578,756.

The following information is for the year ending September 30, 2018:

	<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	87.63%	\$17,104,688	\$2,450,433	6
Central Disposal	23,565,393 cu/yds	97.80%	\$36,743,527	\$826,185	1
CDF South Cell-1	3,960,600 cu/yds	00.50%	\$83,966	\$16,866,657	7

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 \$33,957,906 have been restricted for this purpose within the Solid Waste Management Department Fund.

BREVARD COUNTY, FLORIDA
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14. 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, 2018, are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Governmental</u> <u>Activities</u>
2019	\$ 302,987
2020	302,987
2021	250,903
2022	<u>99,256</u>
Total minimum lease payments	\$ 956,133
Less amount representing interest	<u>92,769</u>
Present value of minimum lease payments	<u>\$ 863,364</u>

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

	<u>Governmental</u> <u>Activities</u>
Machinery and equipment	<u>\$ 1,027,910</u>
Accumulated depreciation	<u>\$ 277,402</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 \$1,226,359 and \$430,064 respectively, for the year ended September 30, 2018. The future minimum lease payments for noncancelable operating leases are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2019	\$ 962,485
2020	918,949
2021	556,503
2022	268,697
2023	134,479
2024-2028	<u>4,033</u>
Total minimum lease payable	<u>\$ 2,845,146</u>

15. Bonded and Other Indebtedness

A. Governmental Activities

\$26,335,000 2013 Limited Ad Valorem Tax Refunding Bond - due in annual installments of \$2,570,000 to \$2,835,000 through September 1, 2024; interest at 2.14%; issued to refund all the outstanding 2005 Limited Ad Valorem Tax Bonds and pay certain costs of issuances; payable from ad valorem tax revenues.

\$16,210,000

\$7,160,000 2016 North Brevard Recreation Special District, Limited Ad Valorem Tax Bond - due in annual installments of \$170,000 to \$1,315,000 through July 1, 2026; interest at 2.125%; issued to refund all of the outstanding 2007 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds, and pay certain costs of issuance; payable from ad valorem tax revenues.

\$6,850,000

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<p>\$26,060,000 2016 South Brevard Recreation Special District, Limited Ad Valorem Tax Bond – due in annual installments of \$1,980,000 to \$3,335,000 through July 1, 2026; interest at 1.59%; issued to refund all of the outstanding 2007 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds, and pay certain costs of issuance; payable from ad valorem tax revenues.</p>	<p>\$22,255,000</p>
<p>\$5,645,000 2016 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bond – due in annual installments of \$260,000 to \$905,000 through July 1, 2026; interest at 2.105%; issued to refund all of the outstanding 2007 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds, and pay certain costs of issuance; payable from ad valorem tax revenues.</p>	<p>\$5,145,000</p>
<p>\$13,435,000 2013 Subordinated Sales Tax Refunding Revenue Bond - due in annual installments of \$965,000 to \$1,255,000 through December 1, 2025; interest rate 2.14%; 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.</p>	<p>\$8,990,000</p>
<p>\$19,550,000 2010 Subordinated Sales Tax Refunding Revenue Bond - due in annual installments of \$480,000 to \$1,060,000 through December 1, 2026; interest at 3.038%; 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.</p>	<p>\$5,240,000</p>
<p>\$9,475,000 2010 Non-Ad Valorem Revenue Note, - due in annual installments of \$1,040,000 to \$1,100,000 through December 1, 2020; interest at 3.476%; 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.</p>	<p>\$3,210,000</p>
<p>\$6,000,000 2012 Non-Ad Valorem Revenue Note - due in annual installments of \$270,000 to \$390,000 through December 1, 2031; interest at 2.78%; issued to finance the costs of various capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.</p>	<p>\$4,565,000</p>
<p>\$15,730,000 2014 Non-Ad Valorem Revenue Note - due in semi-annual installments of \$305,431 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.</p>	<p>\$14,073,834</p>
<p>\$20,210,000 2018A Non-Ad Valorem Refunding Revenue Note – bonds due in annual installments of \$1,150,000 to \$1,850,000 through December 1, 2030; interest at 2.66%; issued to refund all of the outstanding Florida Local Government Finance Commission Pooled Commercial Paper Notes, finance various capital improvements at Valkaria Airport and pay certain costs of issuance; payable from non-ad valorem revenues.</p>	<p>\$20,210,000</p>
<p>\$12,410,000 2018B Non-Ad Valorem Refunding Revenue Note - bonds due in annual installments of \$4,070,000 to \$4,215,000 through July 1, 2021; interest at 2.58%; issued to refund all of the outstanding 2011 North Brevard Recreation Special District Limited Ad Valorem Tax Bonds, 2011 South Brevard Recreation Special District Limited Ad Valorem Tax Bonds, and 2011 Merritt Island Recreation Municipal Service Taxing Unit Limited Ad Valorem Tax Bonds; payable from ad valorem tax revenues.</p>	<p>\$12,410,000</p>

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<p>\$13,545,000 2015 Constitutional Fuel Tax Refunding Revenue Bond – due in annual installments of \$2,840,000 to \$2,875,000 through August 1, 2020; interest at 1.43%; issued to refund all of the outstanding 2005 Constitutional Fuel Tax Revenue Bonds and pay certain costs of issuance; payable from constitutional fuel tax revenues.</p>	<p>\$5,715,000</p>
<p>\$32,025,000 2014 Local Option Fuel Tax Refunding Revenue Bond - due in annual installments of \$2,710,000 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.</p>	<p>\$23,925,000</p>
<p>\$49,375,000 2016 Local Option Fuel Tax Refunding Revenue Bonds – serial bonds due in annual installments of \$65,000 to \$4,605,000 through August 1, 2033; interest at 3.00% to 5.00%; term bonds maturing on August 1, 2035, are subject to mandatory redemption in the amount of \$4,785,000 on August 1, 2034 and \$4,975,000 at maturity; interest at 4.00%; term bonds maturing August 1, 2037 are subject to mandatory redemption in the amount of \$5,180,000 on August 1, 2036 and \$5,395,000 at maturity; interest at 4.125%; issued to refund all of the outstanding 2007 Local Option Fuel Tax Revenue Bonds and pay certain costs of issuance; payable from local option fuel tax revenues.</p>	<p>\$49,315,000</p>
<p>\$5,000,000 2018A Tourist Development Tax Revenue Bond – bonds due in annual installments of \$140,000 to \$550,000 through October 1, 2028; interest at 2.94%; issued to finance the acquisition, construction and equipping of various capital improvements to the Viera Regional Park Sports Center; payable from tourist development tax revenues.</p>	<p>\$5,000,000</p>
<p>B. <u>Business-type Activities</u></p>	
<p>\$10,500,000 2016 Solid Waste Management System Revenue Bond – due in annual installments of \$650,000 to \$845,000 through September 1, 2030; interest at 2.41%; issued to finance the acquisition, construction and equipping of various capital improvements to the County’s solid waste disposal system for expansion of the Central Disposal Facility; payable from the net revenues of the system.</p>	<p>\$8,920,000</p>
<p>\$25,475,000 2014 Water and Wastewater Utility Revenue Bonds – serial bonds due in annual installments of \$530,000 to \$1,205,000 through September 1, 2040; interest at 2.50% to 5.00%; term bonds maturing on September 1, 2044 are subject to mandatory redemption in the amount of \$1,260,000 to \$1,415,000 from September 1, 2041, to final maturity; interest at 4.00%; issued to finance the acquisition, construction and equipping of various capital improvements to the County’s utility system; payable from the net revenues of the system.</p>	<p>\$23,560,000</p>
<p>\$9,700,000 2018 Utility Revenue Bonds (Barefoot Bay Utility System) – bonds due in annual installments of \$465,000 to \$950,000 through October 1, 2029; interest at 2.58%; issued to refund all of the outstanding 2000 Utility Bonds (Barefoot Bay Utility System), and pay certain costs of issuance; payable from gross revenues of the system.</p>	<p>\$9,700,000</p>
<p>\$1,547,000 2009A Subordinated Sales Tax Revenue Bond - due in annual installments of \$71,000 to \$113,000 through December 1, 2029; interest at 3.37%; 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.</p>	<p>\$1,084,000</p>

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C. Component Units

\$2,000,000 Titusville-Cocoa Airport Authority Note - payable in equal monthly installments over 15 years through 2030; interest at 4.485%; issued to refinance the Authority's 2003 Bank Note and to finance capital improvement projects; payable from gross revenues of the Authority.

\$1,622,067

D. Summary of Long-term Liabilities

The long-term liability activity for the year ended September 30, 2018, was as follows:

	Oct. 1, 2017	Adjustment	Oct. 1, 2017 as adjusted	Increase	Decrease	Sept. 30, 2018	Due within one year
Governmental activities:							
Bonds payable:							
General obligation bonds	\$ 74,870,000	\$ 0	\$ 74,870,000	\$ 0	\$ 24,410,000	\$ 50,460,000	\$ 4,980,000
Revenue bonds	100,875,000	0	100,875,000	5,000,000	7,690,000	98,185,000	7,980,000
Revenue notes	23,704,389	0	23,704,389	32,620,000	1,855,555	54,468,834	7,166,128
Deferred amounts:							
Discounts	0	0	0	(50,525)	(6,993)	(43,532)	0
Premiums	1,451,881	0	1,451,881	0	101,498	1,350,383	0
Total bonds payable	\$ 200,901,270	\$ 0	\$ 200,901,270	\$ 37,569,475	\$ 34,050,060	\$ 204,420,685	\$ 20,126,128
Commercial paper notes	20,425,000	0	20,425,000	0	20,425,000	0	0
HUD Section 108 Loan	1,936,168	0	1,936,168	1,291,947	80,000	3,148,115	165,000
Leases payable	346,725	0	346,725	814,276	297,637	863,364	260,762
Accrued compensated absences	32,532,305	0	32,532,305	6,429,626	3,840,798	35,121,133	3,658,994
Net pension liability	287,038,414	0	287,038,414	25,189,087	26,158,879	286,068,622	0
OPEB liability	23,028,258	(1,674,824)	21,353,434	0	4,807,021	16,546,413	0
Claims and judgments	18,558,859	0	18,558,859	53,748,141	55,884,418	16,422,582	8,180,677
Governmental activities long-term liabilities	\$ 584,766,999	\$ (1,674,824)	\$ 583,092,175	\$ 125,042,552	\$ 145,543,813	\$ 562,590,914	\$ 32,391,561
Business-type activities:							
Bonds payable:							
Revenue bonds	\$ 45,182,000	\$ 0	\$ 45,182,000	\$ 9,700,000	\$ 11,618,000	\$ 43,264,000	\$ 1,716,000
Revenue bonds							
Discounts	(21,543)	0	(21,543)	0	(21,543)	0	0
Premiums	1,220,671	0	1,220,671	0	75,032	1,145,639	0
Total bonds payable	\$ 46,381,128	\$ 0	\$ 46,381,128	\$ 9,700,000	\$ 11,671,489	\$ 44,409,639	\$ 1,716,000
Landfill closure and postclosure care	51,360,144	0	51,360,144	2,578,756	6,719	53,932,181	0
State revolving loan	14,620,884	0	14,620,884	18,123,604	0	32,744,488	0
Accrued compensated absences	2,000,039	0	2,000,039	204,504	209,803	1,994,740	214,752
Net pension liability	15,423,228	0	15,423,228	1,426,918	1,481,228	15,368,918	0
OPEB liability	2,436,325	(86,699)	2,349,626	0	798,545	1,551,081	0
Business-type activities long-term liabilities	\$ 132,221,748	\$ (86,699)	\$ 132,135,049	\$ 32,033,782	\$ 14,167,784	\$ 150,001,047	\$ 1,930,752

The adjustments to beginning long-term liabilities in both the Governmental and Business-type activities is for a change in accounting for postemployment benefits, which is addressed in note 28 to the financial statements.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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Component units:	Oct. 1, 2017	Adjustment	Oct. 1, 2017 as adjusted	Increase	Decrease	Sept. 30, 2018	Due within one year
	Notes payable	\$ 1,734,665	\$ 0	\$ 1,734,665	\$ 0	\$ 112,598	\$ 1,622,067
Accrued compensated absences	102,529	0	102,529	85,348	77,778	110,099	110,099
Net pension liability	1,221,971	0	1,221,971	171,987	223,705	1,170,253	0
OPEB liability	125,361	(13,528)	111,833	4,664	64,807	51,690	0
Component units							
long-term liabilities	\$ 3,184,526	\$ (13,528)	\$ 3,170,998	\$ 261,999	\$ 478,888	\$ 2,954,109	\$ 213,916

The adjustments to beginning long-term liabilities in the component units is for a change in accounting for postemployment benefits within the Titusville-Cocoa Airport Authority, which is addressed in their audited financial statements.

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. For accrued compensated absences, the General Fund normally liquidates 72% and the Emergency Services Fund normally liquidates 9%. The remaining 19% is liquidated by other governmental funds and internal service funds.

E. Total Annual Debt Service Requirements

Accrued compensated absences, claims and judgments, landfill closure and postclosure care, pension liability, other postemployment benefit liability, and intergovernmental payable are excluded from this tabulation. See section D. Summary of Long-term Liabilities for additional information.

The annual requirements to amortize all debt outstanding at September 30, 2018 are as follows:

Year Ending September 30	Governmental activities					
	General Obligation Bonds		Revenue Bonds		Notes, Loans and Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 4,980,000	\$ 954,613	\$ 7,980,000	\$ 3,328,869	\$ 7,591,890	\$ 1,673,376
2020	5,080,000	859,047	7,820,000	3,177,596	8,006,506	1,450,857
2021	5,195,000	761,536	5,075,000	3,002,875	8,182,084	1,218,850
2022	7,920,000	661,843	5,200,000	2,865,784	2,814,110	1,001,263
2023	8,060,000	510,152	5,340,000	2,725,000	2,807,058	917,306
2024-2028	19,225,000	654,118	24,690,000	11,444,713	15,628,873	3,277,245
2029-2033	0	0	21,745,000	6,878,779	12,836,677	933,534
2034-2038	0	0	20,335,000	2,120,600	613,115	45,554
Total	\$ 50,460,000	\$ 4,401,309	\$ 98,185,000	\$ 35,544,216	\$ 58,480,313	\$ 10,517,985

Year Ending September 30	Business-type activities				Component units	
	Revenue Bonds		Loan		Note	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 1,716,000	\$ 1,435,400	\$ 0	\$ 0	\$ 103,817	\$ 70,629
2020	2,034,000	1,380,546	738,546	170,271	108,569	65,876
2021	2,087,000	1,320,491	1,488,633	329,001	113,540	60,906
2022	2,160,000	1,252,970	1,504,155	313,479	118,738	55,708
2023	2,229,000	1,182,834	1,519,839	297,795	124,174	50,272
2024-2028	12,242,000	4,822,297	7,840,235	1,247,935	711,526	160,700
2029-2033	8,021,000	3,233,684	8,257,600	830,571	341,703	14,842
2034-2038	5,070,000	2,294,450	8,697,185	390,986	0	0
2039-2043	6,290,000	1,076,225	2,698,295	28,156	0	0
2044-2048	1,415,000	56,600	0	0	0	0
Total	\$ 43,264,000	\$ 18,055,497	\$ 32,744,488	\$ 3,608,194	\$ 1,622,067	\$ 478,933

BREVARD COUNTY, FLORIDA
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16. HUD Section 108 Loan Payable – The County entered into a loan guarantee program with the United States Department of Housing and Urban Development (HUD), for the construction of a health department building and a waterline in West Canaveral Groves. The maximum amount of the loan is \$3,248,000. The loan bears a variable interest rate which adjusts monthly equal to 20 basis points (0.2%) above London Inter-bank Offered Rate (LIBOR), until such time HUD converts the Loan to a fixed rate obligation. The rate as of September 30, 2018 was 2.521%. Interest payments are made quarterly; principal payments are made August 1 with final maturity of August 1, 2037. The amount of the loan payable at September 30, 2018 is \$3,148,115. The repayment schedule will be finalized upon the completion. Grant revenues will be utilized to repay HUD.

Funds provided under this agreement for expenditures incurred during fiscal year ended September 30, 2018 have been identified as federal financial assistance, and are reported in the Schedule of Expenditures of Federal Awards and State Financial Assistance.

17. State Revolving Loan Payable – A Grant Disbursement Agreement was executed December 21, 2015 for Brevard County, through the State of Florida Department of Environmental Protection, to finance a regional wastewater treatment facilities expansion and improvement project, in the form of a Clean Water State Revolving Fund Loan. The maximum amount of the loan is \$41,604,325. The loan bears an interest rate of 1.04%, with forty semi-annual payments due in November and May of each fiscal year beginning November 15, 2019.

The amount of the loan payable at September 30, 2018 is \$32,744,488. The repayment schedule has been estimated based on the outstanding current balance, and will be finalized when the project has been completed and inspected by the grantor.

Funds provided under this agreement for expenditures incurred during fiscal year ended September 30, 2018 have been identified as state financial assistance, and are reported in the Schedule of Expenditures of Federal Awards and State Financial Assistance.

18. Current and Advance Refunding of Debt - During fiscal year ended September 30, 2018, the County completed a current refunding of the outstanding North Brevard Recreation Special District, Limited Ad Valorem Tax Bond, Series 2011, Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bond, Series 2011, and South Brevard Recreation Special District, Limited Ad Valorem Tax Bond, Series 2011, to effect an overall reduction in debt service. The current refunding was financed through the issuance of \$12,410,000 Non-Ad Valorem Refunding Revenue Note Series 2018B. The net proceeds were deposited into an irrevocable escrow account and invested at an amount sufficient for the payment of all principal and interest 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 \$416,863, and will result in an economic gain or present value savings of \$242,149. During fiscal year 2018, all of the Limited Ad Valorem Tax Bonds, Series 2011, were fully retired.

During fiscal year ended September 30, 2018, the County completed a current refunding of the outstanding Utility Revenue Bonds (Barefoot Bay Utility System) Series 2000 to effect an overall reduction in debt service and restructure the Barefoot Bay Utility System's indebtedness. The current refunding was financed through the issuance of \$9,700,000 Utility Refunding Revenue Note, Series 2018. The net proceeds were deposited into an irrevocable escrow account and invested at an amount sufficient for the payment of all principal and interest 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 \$1,561,231, and will result in an economic gain or present value savings of \$1,336,318. During fiscal year 2018, Utility Revenue Bonds (Barefoot Bay Utility System) Series 2000, were fully retired.

19. 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 resolution provides for more than one financial coverage test, the covenant shown is the most restrictive.

The following tabulation indicates the degree of compliance with the bond resolution covenant in the Barefoot Bay Water and Sewer District and the Water Resources Department at September 30, 2018. This coverage test compares the required debt coverage against the revenue available after operating and maintenance expenses, as defined by the bond covenants.

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	Barefoot Bay Water and Sewer District	Water Resources Department
Gross revenues available for compliance	\$ 4,077,280	\$ 36,874,681
Operating and maintenance expense	<u>2,106,642</u>	<u>21,996,496</u> (1)
Amount of revenue over operating and maintenance expense	<u>\$ 1,970,638</u>	<u>\$ 14,878,185</u>
Debt coverage required	<u>\$ 1,261,374</u>	<u>\$ 1,616,484</u>
Percent coverage for the year ended September 30, 2018	<u>156%</u>	<u>920%</u>

(1) Excludes payments in lieu of taxes in the amount of \$1,535,217

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, 2018, were:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Emergency Services	\$ 9,717,174
	Brevard County Transportation Trust	7,692,536
	Grants	14,675
	Other Governmental Funds	17,499,708
	Other Business-type Activities	2,209,453
	Internal Service Funds	1,964,563
Emergency Services	General Fund	1,160,191
	Brevard County Transportation Trust	1,404
	Other Governmental Funds	343,866
	Internal Service Funds	405,997
Brevard County Transportation Trust	General Fund	245,000
	Emergency Services	609
	Other Governmental Funds	7,197
	Internal Service Funds	82,802
Grants	General Fund	14,675
Education Impact Fees	Brevard County Transportation Trust	34,095
Other Governmental Funds	General Fund	4,264,856
	Brevard County Transportation Trust	457
	Other Governmental Funds	1,801,780
	Internal Service Funds	529,707
Solid Waste Management Department	General Fund	1,105,612
	Other Governmental Funds	69,781
	Internal Service Funds	146,736
Water Resources Department	General Fund	1,316,606
	Emergency Services	1,363
	Other Governmental Funds	220,019
	Internal Service Funds	141,555
Other Business-type Activities	General Fund	291,872
	Other Governmental Funds	26,245
Internal Service Funds	Internal Service Funds	15,580
Total Transfers		<u>\$ 51,326,114</u>

Transfers are used to allocate funding within the County government. These include subsidized functions such as emergency services, transportation, parks and recreation, mosquito control, and debt service.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

21. 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
Assets:						
Other assets	\$ 6,550	\$ 2,248,632	\$ 5,401,057	\$ 2,678,573	\$ 7,390,271	\$ 17,725,083
Capital assets, net of accumulated depreciation	0	0	0	57,610,612	0	57,610,612
Total assets	<u>\$ 6,550</u>	<u>\$ 2,248,632</u>	<u>\$ 5,401,057</u>	<u>\$ 60,289,185</u>	<u>\$ 7,390,271</u>	<u>\$ 75,335,695</u>
Deferred outflows of resources:						
Pensions	\$ 0	\$ 0	\$ 0	\$ 505,922	\$ 0	\$ 505,922
Liabilities:						
Current liabilities	\$ 0	\$ 12,147	\$ 1,403,644	\$ 460,765	\$ 324,950	\$ 2,201,506
Noncurrent liabilities	0	0	0	2,844,010	0	2,844,010
Total liabilities	<u>\$ 0</u>	<u>\$ 12,147</u>	<u>\$ 1,403,644</u>	<u>\$ 3,304,775</u>	<u>\$ 324,950</u>	<u>\$ 5,045,516</u>
Deferred inflows of resources:						
OPEB	\$ 0	\$ 0	\$ 0	\$ 64,976	\$ 0	\$ 64,976
Pensions	0	0	0	146,260	0	146,260
Total deferred inflows of resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 211,236</u>	<u>\$ 0</u>	<u>\$ 211,236</u>
Net position:						
Net investment in capital assets	\$ 0	\$ 0	\$ 0	\$ 55,988,545	\$ 0	\$ 55,988,545
Unrestricted	6,550	2,236,485	3,997,413	1,290,551	7,065,321	14,596,320
Total net position	<u>\$ 6,550</u>	<u>\$ 2,236,485</u>	<u>\$ 3,997,413</u>	<u>\$ 57,279,096</u>	<u>\$ 7,065,321</u>	<u>\$ 70,584,865</u>

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
Expenses:						
Total expenses	\$ 175	\$ 278,047	\$ 2,115,658	\$ 4,082,139	\$ 298,389	\$ 6,774,408
Program revenues:						
Charges for services	\$ 0	\$ 0	\$ 12,086	\$ 2,664,048	\$ 570,396	\$ 3,246,530
Capital grants and contributions	0	0	0	889,615	0	889,615
Total program revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,086</u>	<u>\$ 3,553,663</u>	<u>\$ 570,396</u>	<u>\$ 4,136,145</u>
Net program revenues (expenses)	<u>\$ (175)</u>	<u>\$ (278,047)</u>	<u>\$ (2,103,572)</u>	<u>\$ (528,476)</u>	<u>\$ 272,007</u>	<u>\$ (2,638,263)</u>
General revenues:						
Taxes	\$ 0	\$ 1,124,578	\$ 2,893,209	\$ 0	\$ 0	\$ 4,017,787
Other general revenues	0	28,888	175,478	73	14,127	218,566
Total general revenues	<u>\$ 0</u>	<u>\$ 1,153,466</u>	<u>\$ 3,068,687</u>	<u>\$ 73</u>	<u>\$ 14,127</u>	<u>\$ 4,236,353</u>
Changes in net position	<u>\$ (175)</u>	<u>\$ 875,419</u>	<u>\$ 965,115</u>	<u>\$ (528,403)</u>	<u>\$ 286,134</u>	<u>\$ 1,598,090</u>
Net position - beginning	\$ 6,725	\$ 1,361,066	\$ 3,032,298	\$ 57,793,971	\$ 7,055,937	\$ 69,249,997
Cumulative effect of change in accounting principle	0	0	0	13,528	0	13,528
Cumulative effect in prior years of accounting error	0	0	0	0	(276,750)	(276,750)
Net position - beginning, restated	<u>\$ 6,725</u>	<u>\$ 1,361,066</u>	<u>\$ 3,032,298</u>	<u>\$ 57,807,499</u>	<u>\$ 6,779,187</u>	<u>\$ 68,986,775</u>
Net position - ending	<u>\$ 6,550</u>	<u>\$ 2,236,485</u>	<u>\$ 3,997,413</u>	<u>\$ 57,279,096</u>	<u>\$ 7,065,321</u>	<u>\$ 70,584,865</u>

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22. **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 insurable 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 3% of Total Insurable Values (TIV) with a minimum of \$500,000 per occurrence. For flood losses, the County retains exposure of 3% 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 3% of TIV with a minimum of \$500,000; any other flood outside of a special flood hazard area is \$500,000.

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 under the age of 65 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. Stop Loss coverage has a specific deductible of \$600,000 per claim and an aggregating deductible of \$306,500 for the 2018 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 \$16,422,582 in the Risk Management fund, reported at September 30, 2018, 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 2017 and 2018 were:

	<u>2017</u>	<u>2018</u>
Beginning of fiscal year liability	\$ 17,462,386	\$ 18,558,859
Current year claims	50,949,917	53,748,141
Claims payments	<u>(49,853,444)</u>	<u>(55,884,418)</u>
Balance at fiscal year end	<u>\$ 18,558,859</u>	<u>\$ 16,422,582</u>

The claims liability at September 30, 2018, has been calculated as follows:

Present value of estimated outstanding losses (estimated losses of \$18,453,987, discounted to reflect future investment earnings at 1.0%)	\$ 17,781,333
Unallocated loss adjustment expenses (calculated at 7.5% of outstanding losses excluding medical insurance)	1,053,883
Estimated recoveries on settled claims	<u>(2,412,634)</u>
Claims liability at September 30, 2018	<u>\$ 16,422,582</u>

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23. Deferred Compensation - The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. 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.
24. Contingent Liabilities - There are a number of pending lawsuits in which the County is involved. Although the outcome is not readily determinable, resolution of these matters is not expected to have an adverse effect on the financial condition of the County.
25. Pollution Remediation - The County has not identified any such instances of pollution remediation liabilities that can be reasonably estimated.
26. Retirement Plan

Florida Retirement System:

General Information - All of the County's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). FRS participation is required by all state, county, district school board, state college and state university employers, with optional participation offered to cities, charter schools, metropolitan planning districts and special districts. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained from the website: www.dms.myflorida.com/workforce_operations/retirement/publications or by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000.

For the fiscal year ended September 30, 2018, the County's pension expense totaled \$43,168,940 for the FRS Pension Plan and HIS Plan.

Pension Plan

Plan Description - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers class members who retire at or after age 62 with at least six years of

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credited service. Elected Officers class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increases normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2017 through June 30, 2018, and from July 1, 2018 through September 30, 2018, respectively, were as follows:

Regular	7.92%	and	8.26%
Special risk administrative support	34.63%	and	34.98%
Special risk	23.27%	and	24.50%
Senior management service	22.71%	and	24.06%
Elected officers	45.50%	and	48.70%
DROP participants	13.26%	and	14.03%

These employer contribution rates include 1.66% HIS Plan subsidy for the periods October 1, 2017 through June 30, 2018, and from July 1, 2018 through September 30, 2018.

The County's contributions to the Pension Plan, including employee contributions, totaled \$22,700,403 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2018, the County reported a liability of \$239,918,305 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County's proportion of the net pension liability was based on the County's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2017 through June 30, 2018, relative to the total employer contributions received from all participating employers. The County's proportionate share of the net pension liability was based on the County's 2017-2018 fiscal year contributions relative to the 2016-2017 fiscal year contributions of all participating members. At June 30, 2018, the County's proportionate share was .80 percent, which was a decrease of .01 percent from its proportionate share measured as of June 30, 2017.

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For the fiscal year ended September 30, 2018, the County recognized pension expense of \$38,717,776. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 20,324,687	\$ 737,691
Change of assumptions	78,393,634	0
Net difference between projected and actual earnings on Pension Plan investments	0	18,536,614
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	4,489,682	8,828,486
County Pension Plan contributions subsequent to the measurement date	6,553,376	0
Total	\$ 109,761,379	\$ 28,102,791

The deferred outflows of resources related to the Pension Plan, totaling \$6,553,376 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2019	\$ 28,351,693
2020	20,100,701
2021	2,946,346
2022	13,683,216
2023	8,826,237
Thereafter	1,197,019

Actuarial Assumptions – The actuarial assumptions that determined the total pension liability as of June 30, 2018 were based on the results of an actuarial experience study for the period July 1, 2008 - June 30, 2013.

Valuation date	July 1, 2017	July 1, 2018
Measurement date	June 30, 2017	June 30, 2018
Inflation	2.60%	2.60%
Salary increases including inflation	3.25%	3.25%
Mortality	Generational RP-2000 with Projection Scale BB	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual entry age	Individual entry age
Investment rate of return, net of investment expense	7.10%	7.00%

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead was based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption was based on a consistent set of underlying assumptions and included an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

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Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.8%
Fixed income	18.0%	4.4%	4.3%	4.0%
Global equity	54.0%	7.6%	6.3%	17.0%
Real estate (property)	11.0%	6.6%	6.0%	11.3%
Private equity	10.0%	10.7%	7.8%	26.5%
Strategic investments	6.0%	6.0%	5.7%	8.6%
Assumed inflation - mean			2.6%	1.9%

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net pension liability	\$ 437,860,969	\$ 239,918,305	\$ 75,515,220

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Retiree Health Insurance Subsidy Program

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

Benefits Provided - For the fiscal year ended September 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2018 the HIS contribution was 1.66%. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled \$3,152,086 for the fiscal year ended September 30, 2018.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2018, the County reported a liability of \$61,519,235 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County’s proportionate share of the net pension liability was based on the County’s 2017-2018 fiscal year contributions relative to the 2016-2017 fiscal year contributions of all participating members. At June 30, 2018, the County’s proportionate share was .58 percent, which was the proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the County recognized pension expense of \$4,451,164. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 941,832	\$ 104,519
Change of assumptions	6,841,699	6,504,328
Net difference between projected and actual earnings on HIS Plan investments	37,134	0
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	1,146,341	1,517,255
County HIS Plan contributions subsequent to the measurement date	853,359	0
Total	\$ 9,820,365	\$ 8,126,102

The deferred outflows of resources related to the HIS Plan, totaling \$853,359, resulting from County contributions to the HIS Plan, subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2019	\$ 720,038
2020	716,908
2021	443,439
2022	61,831
2023	(787,317)
Thereafter	(313,995)

Actuarial valuations for the HIS program are conducted biennially. The July 1, 2018, HIS valuation is the most recent actuarial valuation and was used to develop the liabilities as of June 30, 2018. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of a later GASB measurement date using standard actuarial roll forward procedures.

Actuarial Assumptions – The actuarial assumptions that determined the total pension liability as of June 30, 2018 were based on certain results of an actuarial experience study of the FRS for the period July 1, 2008 - June 30, 2013.

Valuation date	July 1, 2016	July 1, 2018
Measurement date	June 30, 2017	June 30, 2018
Inflation	2.60%	2.60%
Salary increases including inflation	3.25%	3.25%
Mortality	Generational RP-2000 with Projection Scale BB	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual entry age	Individual entry age
Investment rate of return, net of investment expense	3.58%	3.87%

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Discount Rate - The discount rate used to measure the total pension liability was 3.87%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate- The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 3.87%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.87%) or one percentage point higher (4.87%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
County's proportionate share of the net pension liability	\$ 70,066,804	\$ 61,519,235	\$ 54,394,341

Pension Plan Fiduciary Net Position - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements for the Investment Plan, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates as the Pension Plan, which are based on salary and membership class (Regular Class, Elected County Officers, etc.). Contributions are directed to individual member's accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during fiscal year 2018, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

Regular	6.30%
Special risk administrative support	7.95%
Special risk	14.00%
Senior management service	7.67%
Elected officers	11.34%

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County's Investment Plan pension expense totaled \$3,811,200 for the fiscal year ended September 30, 2018.

27. 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.

As of September 30, 2018, the membership of the County's medical plan consisted of:

	<u>County</u>
Active Employees	3,912
Retirees	808
Spouses and Beneficiaries	<u>322</u>
Total	<u>5,042</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 \$4,056 and \$8,616 for retirees and spouses under age 65. 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.

No trust or agency fund has been established for the plan.

Actuarial assumptions and other inputs - The total OPEB liability was measured as of September 30, 2018 and was determined by an actuarial valuation as of October 1, 2018, using the following actuarial assumptions and other inputs:

Payroll growth	3.50% (including inflation)
Discount rate	4.24% (December average of the Bond Buyer GO 20-year Municipal Bond Index published by the Bond Buyer)
Healthcare cost trend rates	7% for fiscal year 2019, decreasing by .5% per year to 5% in fiscal year 2022 and later
Retirees' share of benefit-related costs	56% of projected health insurance premiums for retirees

The mortality table used was the RPH-2014 Fully Generational Mortality adjusted to 2006 projected using Scale MP-2018. No formal experience studies were conducted.

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Changes in the Total OPEB Liability

Balance at September 30, 2017	<u>\$ 23,703,060</u>
Changes for the year:	
Service cost	\$ 749,174
Interest	827,724
Differences between expected and actual experience	(4,554,088)
Changes in assumptions or other inputs	(826,839)
Benefit payments	<u>(1,801,537)</u>
Net changes	<u>\$ (5,605,566)</u>
Balance at September 30, 2018	<u>\$ 18,097,494</u>

Changes in assumptions or other inputs reflect a change in the discount rate from 3.63%, at the beginning of the fiscal year, to 4.24% at September 30, 2018, a change in the mortality tables used, and a change in the per capita medical costs for retirees.

Sensitivity of the Total OPEB Liability to changes in the discount rate - The following presents the Total OPEB Liability calculated using the discount rate of 4.24%, as well as what the Total OPEB Liability would be if it were calculated using a discount rate that is one percentage lower (3.24%) or one percentage point higher (5.24%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Changes in discount rate	\$ 19,237,800	\$ 18,097,494	\$ 17,060,665

Sensitivity of the Total OPEB Liability to changes in the healthcare trend rate - The following presents the Total OPEB Liability calculated using the current healthcare trend rates (7% decreasing to 5%), as well as what the Total OPEB Liability would be if it were calculated using healthcare trend rates that are one percentage lower (6% decreasing to 4%) or one percentage point higher (8% decreasing to 6%) than the current rate:

	<u>1% Decrease</u>	<u>Current Healthcare Trend</u>	<u>1% Increase</u>
Changes in healthcare trend rate	\$ 16,947,828	\$ 18,097,494	\$ 19,373,008

OPEB Expense and Deferred Inflows of Resources related to OPEB - For the year ended September 30, 2018 the County recognized (\$822,520) OPEB expense. At September 30, 2018, the County reported deferred inflows of resources related to OPEB, from the following sources:

	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,057,399
Changes of assumptions or other inputs	<u>725,647</u>
Total	<u>\$ 4,783,046</u>

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Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending</u> <u>September 30</u>	<u>Amount</u>
2019	\$ 597,881
2020	597,881
2021	597,881
2022	597,881
2023	597,881
Thereafter	1,793,641

28. Cumulative Effect of Change in Accounting Principle - Beginning Net Position, as reported in the Statement of Activities, was restated for the effect of implementing GASB Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. GASB Statement No. 75 specifies that, in the financial statements, governments must recognize their total OPEB liability and related deferred outflows of resources, deferred inflows of resources, and OPEB expense, based on the actuarial present value of projected benefits, rather than net OPEB obligation based on contribution requirements (GASB Statement No. 45). See Note 27, Other Postemployment Benefits (OPEB). This pronouncement requires the restatement of the September 30, 2017, net position of governmental activities and business-type funds as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Net position September 30, 2017, as previously reported	\$ 632,033,494	\$ 289,176,372	\$ 921,209,866
Cumulative effect of application of GASB 75	1,674,824	86,699	1,761,523
Net position September 30, 2017, as restated	<u>\$ 633,708,318</u>	<u>\$ 289,263,071</u>	<u>\$ 922,971,389</u>

29. Cumulative Effect in Prior Years of Accounting Error - The management of the component unit Housing Finance Authority determined that a \$450,000 liability regarding the Single Family Mortgage Revenue Bonds, Series 1985, had not been recorded as of October 1, 2017, and made a prior period adjustment to increase a liability and decrease net position as of October 1, 2017. In addition, loans receivable in the amount of \$173,250 (related to the amount expected to be collected on the bonds from insurance) should also have been recorded as of October 1, 2017, but this amount would have been offset by an allowance for loan losses. This entry, along with the net effect of these adjustments of \$276,750, resulted in an accounting error correction and the restatement of the beginning net position.
30. Subsequent Events - The County has evaluated subsequent events through March 27, 2019, the date which the financial statements were available to be issued.

BREVARD COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN
TOTAL OPEB LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2018

	Fiscal Year 2018
Total OPEB Liability	
Service cost	\$ 749,174
Interest	827,724
Differences between expected and actual experience	(4,554,088)
Changes in assumptions or other inputs	(826,839)
Benefit payments	(1,801,537)
Net change in total OPEB liability	\$ (5,605,566)
Total OPEB liability at beginning of year	23,703,060
Total OPEB liability at end of year	\$ 18,097,494
Covered-employee payroll	\$ 173,186,736
Total OPEB liability as a percentage of covered payroll	10.45%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in GASB Statement 75, paragraph 4.

Changes in assumptions or other inputs reflect a change in the discount rate from 3.63%, at the beginning of the fiscal year, to 4.25% at September 30, 2018; a change in the mortality tables used, and a change in the per capita medical costs for retirees.

Information is required to be presented for 10 years. However, until a full 10 year trend is compiled, the County will present information for only those years for which information is available.

BREVARD COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FLORIDA RETIREMENT SYSTEM PENSION PLAN
SEPTEMBER 30, 2018

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

*Fiscal Year	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Payroll	County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.79%	\$ 101,446,487	\$ 178,783,201	56.74%	92.00%
2016	0.82%	206,679,018	180,413,270	114.56%	84.88%
2017	0.81%	240,707,827	186,933,337	128.77%	83.89%
2018	0.80%	239,918,305	190,161,825	126.17%	84.26%

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

Fiscal Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 19,149,010	\$ (19,149,010)	\$ 0	\$ 177,481,236	10.79%
2016	19,961,116	(19,961,116)	0	183,693,714	10.87%
2017	21,184,447	(21,184,447)	0	188,523,974	11.24%
2018	22,700,403	(22,700,403)	0	188,845,250	12.02%

Information is required to be presented for 10 years. However, until a full 10 year trend is compiled, the County will present information for only those years for which information is available.

*The amounts presented for each fiscal year were determined as of June 30.

BREVARD COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREE HEALTH INSURANCE SUBSIDY PROGRAM
SEPTEMBER 30, 2018

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

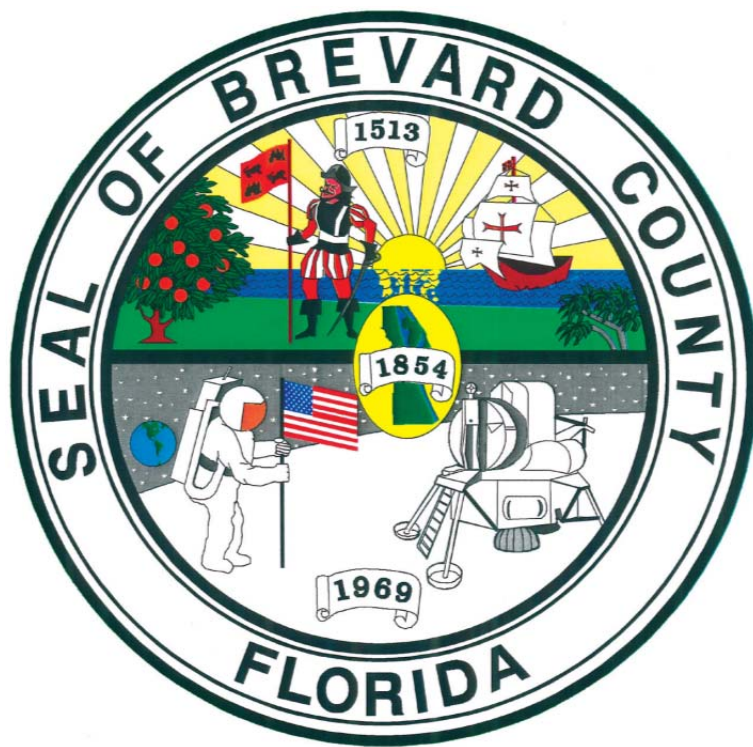
*Fiscal Year	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Payroll	County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.59%	\$ 59,703,642	\$ 178,783,201	33.39%	0.50%
2016	0.58%	67,259,783	180,413,270	37.28%	0.97%
2017	0.58%	61,753,815	186,933,337	33.04%	1.64%
2018	0.58%	61,519,235	190,161,825	32.35%	2.15%

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

Fiscal Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 2,237,840	\$ (2,237,840)	\$ 0	\$ 177,481,236	1.26%
2016	2,958,057	(2,958,057)	0	183,693,714	1.61%
2017	3,056,537	(3,056,537)	0	188,523,974	1.62%
2018	3,152,086	(3,152,086)	0	188,845,250	1.67%

Information is required to be presented for 10 years. However, until a full 10 year trend is compiled, the County will present information for only those years for which information is available.

*The amounts presented for each fiscal year were determined as of June 30.



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 - 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 - 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 - 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 - to account for the collection of stormwater assessments in Districts I, II, III, IV, and V. The revenue is 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. These revenues are to be used for various judicial costs.

Special Law Enforcement District - to account for an ad valorem tax levy of up to 2.0 mills for the provision of law enforcement services in the community, pursuant to Ordinance 01-55. This fund provides County-wide law enforcement services, operations, and facilities within the unincorporated area of Brevard County. It also provides law enforcement services to the Town of Grant-Valkaria and Palm Shores. Revenue for these services, and all costs incurred in providing these services, are accounted for in this fund.

Tourist Development Tax - 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 - 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 - to account for acquisition and improvements to endangered lands in Brevard County.

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

Records Modernization Trust - 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.

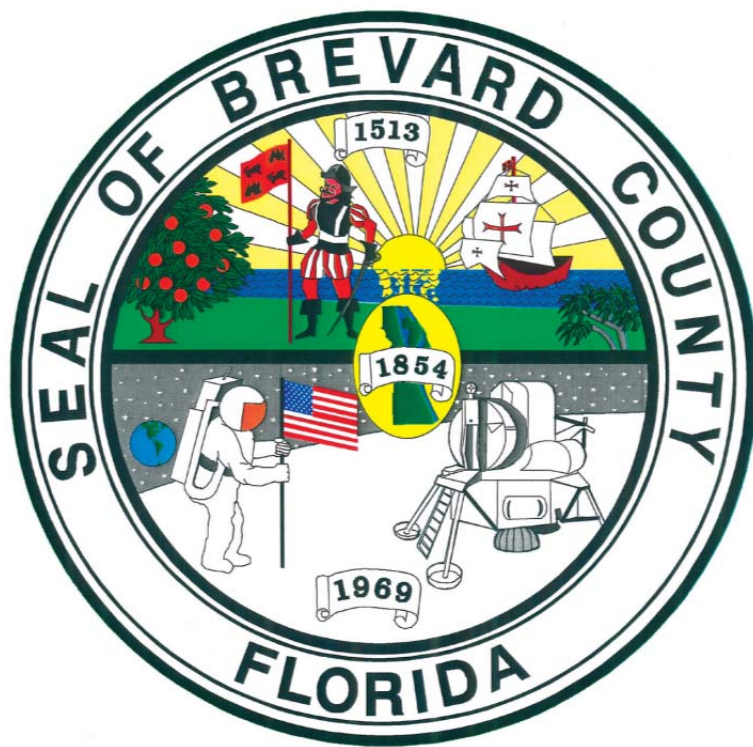
Loans - to fund the construction of T-hangars and special assessment projects, finance the dredging of channels and canals, acquisition of land and buildings, and purchase of various capital equipment.

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, 2018

	<i>Special Revenue</i>	
	<i>Recreation Special Districts</i>	<i>Brevard County Free Public Library District</i>
ASSETS		
Cash	\$ 10,301,717	\$ 9,638,683
Receivables (net of allowance for uncollectibles):		
Accounts	13,870	117
Taxes	9,428	16,995
Due from other funds	258,892	117,902
Due from other governmental units	432,960	437,950
Inventory of supplies	195,275	54,061
Advances to other funds	0	0
Prepaid items	1,578	63,374
Total assets	\$ 11,213,720	\$ 10,329,082
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Vouchers and contracts payable	\$ 1,016,636	\$ 634,075
Accrued wages and benefits payable	0	0
Due to other funds	0	0
Due to other governmental units	1,401	1,054
Unearned revenue	0	0
Total liabilities	\$ 1,018,037	\$ 635,129
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-intergovernmental	\$ 432,960	\$ 437,950
Unavailable revenue-taxes and assessments	9,428	16,995
Unavailable revenue-future reimbursements	13,393	0
Total deferred inflows of resources	\$ 455,781	\$ 454,945
Fund balances:		
Non-spendable	\$ 196,853	\$ 117,435
Restricted	9,543,049	9,121,573
Committed	0	0
Total fund balances	\$ 9,739,902	\$ 9,239,008
Total liabilities, deferred inflows of resources, and fund balances	\$ 11,213,720	\$ 10,329,082

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>
\$ 3,171,664	\$ 8,739,099	\$ 4,414,578	\$ 4,399,519	\$ 2,749,607
0	0	14,843	133,976	8,699
6,308	4,375	4,632	0	14,593
46,560	37,846	10,473,597	38,117	270,461
21,759	1,229	79,237	12,685	385,972
746,630	279,540	0	9,577	0
0	0	103,524	0	0
0	2,709	0	2,336	0
<u>\$ 3,992,921</u>	<u>\$ 9,064,798</u>	<u>\$ 15,090,411</u>	<u>\$ 4,596,210</u>	<u>\$ 3,429,332</u>
\$ 140,769	\$ 553,129	\$ 170,250	\$ 424,090	\$ 21,992
0	0	0	0	322,684
0	0	0	135,203	0
38	30	0	0	90
0	0	0	159,440	0
<u>\$ 140,807</u>	<u>\$ 553,159</u>	<u>\$ 170,250</u>	<u>\$ 718,733</u>	<u>\$ 344,766</u>
\$ 17,303	\$ 1,229	\$ 47,404	\$ 12,685	\$ 0
6,308	4,375	4,632	0	14,593
0	0	0	0	0
<u>\$ 23,611</u>	<u>\$ 5,604</u>	<u>\$ 52,036</u>	<u>\$ 12,685</u>	<u>\$ 14,593</u>
\$ 746,630	\$ 282,249	\$ 0	\$ 11,913	\$ 0
3,081,873	8,223,786	14,868,125	3,852,879	3,069,973
0	0	0	0	0
<u>\$ 3,828,503</u>	<u>\$ 8,506,035</u>	<u>\$ 14,868,125</u>	<u>\$ 3,864,792</u>	<u>\$ 3,069,973</u>
<u>\$ 3,992,921</u>	<u>\$ 9,064,798</u>	<u>\$ 15,090,411</u>	<u>\$ 4,596,210</u>	<u>\$ 3,429,332</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<i>Special Revenue</i>	
	<i>Tourist Development Tax</i>	<i>State Housing Initiative Partnership</i>
ASSETS		
Cash	\$ 16,303,654	\$ 3,937,053
Receivables (net of allowance for uncollectibles):		
Accounts	19,010	81,575
Taxes	0	0
Due from other funds	221,000	0
Due from other governmental units	8,032,335	0
Inventory of supplies	5,034	0
Advances to other funds	0	0
Prepaid items	0	0
Total assets	\$ 24,581,033	\$ 4,018,628
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Vouchers and contracts payable	\$ 1,670,923	\$ 187,103
Accrued wages and benefits payable	0	0
Due to other funds	0	0
Due to other governmental units	22,046	0
Unearned revenue	0	0
Total liabilities	\$ 1,692,969	\$ 187,103
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-intergovernmental	\$ 7,055,792	\$ 0
Unavailable revenue-taxes and assessments	0	0
Unavailable revenue-future reimbursements	0	81,575
Total deferred inflows of resources	\$ 7,055,792	\$ 81,575
Fund balances:		
Non-spendable	\$ 5,034	\$ 0
Restricted	15,827,238	3,749,950
Committed	0	0
Total fund balances	\$ 15,832,272	\$ 3,749,950
Total liabilities, deferred inflows of resources, and fund balances	\$ 24,581,033	\$ 4,018,628

<i>Special Revenue</i>			<i>Debt Service</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>	<i>Sales Tax Revenue Bonds</i>
\$ 1,339,922	\$ 7,106,787	\$ 1,187,916	\$ 4,231,284	\$ 0
0	0	0	0	0
1,664	0	0	16,437	0
14,595	0	0	83,709	0
44,723	14,700	0	0	0
19,045	0	0	0	0
0	0	0	0	0
0	1,125	10,800	0	0
<u>\$ 1,419,949</u>	<u>\$ 7,122,612</u>	<u>\$ 1,198,716</u>	<u>\$ 4,331,430</u>	<u>\$ 0</u>
\$ 26,598	\$ 67,937	\$ 41,927	\$ 0	\$ 0
0	0	14,958	0	0
0	0	0	0	0
12	16,507	0	100	0
0	0	0	0	0
<u>\$ 26,610</u>	<u>\$ 84,444</u>	<u>\$ 56,885</u>	<u>\$ 100</u>	<u>\$ 0</u>
\$ 44,723	\$ 14,700	\$ 0	\$ 0	\$ 0
1,664	0	0	16,437	0
0	0	0	0	0
<u>\$ 46,387</u>	<u>\$ 14,700</u>	<u>\$ 0</u>	<u>\$ 16,437</u>	<u>\$ 0</u>
\$ 19,045	\$ 1,125	\$ 0	\$ 0	\$ 0
1,327,907	7,022,343	1,141,831	4,314,893	0
0	0	0	0	0
<u>\$ 1,346,952</u>	<u>\$ 7,023,468</u>	<u>\$ 1,141,831</u>	<u>\$ 4,314,893</u>	<u>\$ 0</u>
<u>\$ 1,419,949</u>	<u>\$ 7,122,612</u>	<u>\$ 1,198,716</u>	<u>\$ 4,331,430</u>	<u>\$ 0</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<u>Debt Service</u>	<u>Capital Projects</u>
	<u>Loans</u>	<u>General Government Facilities</u>
ASSETS		
Cash	\$ 33,760	\$ 5,363,005
Receivables (net of allowance for uncollectibles):		
Accounts	0	0
Taxes	0	0
Due from other funds	0	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>\$ 33,760</u>	<u>\$ 5,363,005</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Vouchers and contracts payable	\$ 28	\$ 3,319,239
Accrued wages and benefits payable	0	0
Due to other funds	0	287,584
Due to other governmental units	0	0
Unearned revenue	0	0
Total liabilities	<u>\$ 28</u>	<u>\$ 3,606,823</u>
DEFERRED INFLOWS OF RESOURCES		
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>
Fund balances:		
Non-spendable	\$ 0	\$ 0
Restricted	33,732	790,371
Committed	0	965,811
Total fund balances	<u>\$ 33,732</u>	<u>\$ 1,756,182</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 33,760</u>	<u>\$ 5,363,005</u>

Capital Projects

<u><i>Parks and Recreation Facilities</i></u>	<u><i>Environmentally Endangered Land Purchases</i></u>	<u><i>Total</i></u>
\$ 2,154,670	\$ 1,860,620	\$ 86,933,538
0	0	272,090
0	0	74,432
889,200	0	12,451,879
0	0	9,463,550
0	0	1,309,162
0	0	103,524
0	0	81,922
<u>\$ 3,043,870</u>	<u>\$ 1,860,620</u>	<u>\$ 110,690,097</u>
\$ 258,938	\$ 0	\$ 8,533,634
0	0	337,642
0	0	422,787
0	0	41,278
0	0	159,440
<u>\$ 258,938</u>	<u>\$ 0</u>	<u>\$ 9,494,781</u>
\$ 0	\$ 0	\$ 8,064,746
0	0	74,432
0	0	94,968
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,234,146</u>
\$ 0	\$ 0	\$ 1,380,284
2,784,932	1,860,620	90,615,075
0	0	965,811
<u>\$ 2,784,932</u>	<u>\$ 1,860,620</u>	<u>\$ 92,961,170</u>
<u>\$ 3,043,870</u>	<u>\$ 1,860,620</u>	<u>\$ 110,690,097</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Special Revenue</i>	
	<i>Recreation Special Districts</i>	<i>Brevard County Free Public Library District</i>
REVENUES		
Taxes	\$ 12,968,470	\$ 16,835,411
Permits, fees and special assessments	0	175,381
Intergovernmental revenues	90,767	32,636
Charges for services	1,005,838	0
Fines and forfeits	0	544,488
Miscellaneous revenues	682,065	428,595
Total revenues	\$ 14,747,140	\$ 18,016,511
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	18,689,222	18,487,450
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	\$ 18,689,222	\$ 18,487,450
Excess (deficiency) of revenues over (under) expenditures	\$ (3,942,082)	\$ (470,939)
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 8,746,962	\$ 337,337
Transfers out	(996,309)	(1,563,294)
Proceeds of the sale of capital assets	104	0
Insurance proceeds	343,798	13,729
Capital leases issued	0	0
Refunding debt issued	0	0
Capital related debt issued	0	0
Bond discount	0	0
Debt refunding payment	0	0
Total other financing sources and uses	\$ 8,094,555	\$ (1,212,228)
Net change in fund balances	\$ 4,152,473	\$ (1,683,167)
Fund balances - beginning	5,646,392	10,850,076
Increase (decrease) in non-spendable	(58,963)	72,099
Fund balances - ending	\$ 9,739,902	\$ 9,239,008

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>
\$ 6,648,243	\$ 5,354,683	\$ 0	\$ 0	\$ 17,545,198
0	0	6,004,311	0	0
2,883	3,398	418,998	5,628	1,084,720
24,221	0	43,129	3,221,578	815,511
0	0	0	466,291	0
71,178	146,171	160,796	1,176,340	158,641
<u>\$ 6,746,525</u>	<u>\$ 5,504,252</u>	<u>\$ 6,627,234</u>	<u>\$ 4,869,837</u>	<u>\$ 19,604,070</u>
\$ 0	\$ 0	\$ 0	\$ 4,455,293	\$ 0
0	0	0	1,852,541	17,967,556
282,579	0	3,036,618	0	0
0	5,512,505	0	0	0
0	0	0	0	0
6,113,564	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	120,000	4,386	0
0	0	23,329	538	0
<u>\$ 6,396,143</u>	<u>\$ 5,512,505</u>	<u>\$ 3,179,947</u>	<u>\$ 6,312,758</u>	<u>\$ 17,967,556</u>
<u>\$ 350,382</u>	<u>\$ (8,253)</u>	<u>\$ 3,447,287</u>	<u>\$ (1,442,921)</u>	<u>\$ 1,636,514</u>
\$ 185,834	\$ 37,846	\$ 0	\$ 3,208,432	\$ 122,982
(636,284)	(185,656)	(324,273)	(603,517)	(605,241)
42,419	34,037	66	0	9,122
32,192	0	4,657	0	0
0	0	0	31,597	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ (375,839)</u>	<u>\$ (113,773)</u>	<u>\$ (319,550)</u>	<u>\$ 2,636,512</u>	<u>\$ (473,137)</u>
\$ (25,457)	\$ (122,026)	\$ 3,127,737	\$ 1,193,591	\$ 1,163,377
4,050,969	8,596,817	11,740,388	2,669,092	1,906,596
(197,009)	31,244	0	2,109	0
<u>\$ 3,828,503</u>	<u>\$ 8,506,035</u>	<u>\$ 14,868,125</u>	<u>\$ 3,864,792</u>	<u>\$ 3,069,973</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Special Revenue</i>	
	<i>Tourist Development Tax</i>	<i>State Housing Initiative Partnership</i>
REVENUES		
Taxes	\$ 15,582,944	\$ 0
Permits, fees and special assessments	0	0
Intergovernmental revenues	3,042,431	1,355,451
Charges for services	0	0
Fines and forfeits	0	0
Miscellaneous revenues	426,688	326,301
Total revenues	\$ 19,052,063	\$ 1,681,752
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	0
Physical environment	8,659,366	0
Transportation	0	0
Economic environment	9,516,849	1,302,976
Human services	0	0
Culture and recreation	4,368,369	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	\$ 22,544,584	\$ 1,302,976
Excess (deficiency) of revenues over (under) expenditures	\$ (3,492,521)	\$ 378,776
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 0	\$ 0
Transfers out	(791,729)	0
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Capital leases issued	0	0
Refunding debt issued	0	0
Capital related debt issued	0	0
Bond discount	0	0
Debt refunding payment	0	0
Total other financing sources and uses	\$ (791,729)	\$ 0
Net change in fund balances	\$ (4,284,250)	\$ 378,776
Fund balances - beginning	20,120,431	3,371,174
Increase (decrease) in non-spendable	(3,909)	0
Fund balances - ending	\$ 15,832,272	\$ 3,749,950

<i>Special Revenue</i>			<i>Debt Service</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>	<i>Sales Tax Revenue Bonds</i>
\$ 2,083,501	\$ 17,827	\$ 0	\$ 11,929,970	\$ 0
0	5,270,519	0	0	0
9,152	8,293	0	0	0
1,814	0	1,565,020	0	0
0	9,787	0	0	0
63,363	96,416	905	158,584	0
<u>\$ 2,157,830</u>	<u>\$ 5,402,842</u>	<u>\$ 1,565,925</u>	<u>\$ 12,088,554</u>	<u>\$ 0</u>
\$ 0	\$ 0	\$ 1,623,354	\$ 0	\$ 0
0	3,550,157	0	0	0
2,200,319	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	12,000,000	2,190,000
0	0	0	1,609,839	348,241
<u>\$ 2,200,319</u>	<u>\$ 3,550,157</u>	<u>\$ 1,623,354</u>	<u>\$ 13,609,839</u>	<u>\$ 2,538,241</u>
<u>\$ (42,489)</u>	<u>\$ 1,852,685</u>	<u>\$ (57,429)</u>	<u>\$ (1,521,285)</u>	<u>\$ (2,538,241)</u>
\$ 148,489	\$ 5,295	\$ 0	\$ 83,709	\$ 2,538,241
(80,576)	(225,152)	0	(411,705)	0
141	1,177	0	0	0
18,936	0	0	0	0
0	0	0	0	0
0	0	0	12,410,000	0
0	0	0	0	0
0	0	0	0	0
0	0	0	(12,410,000)	0
<u>\$ 86,990</u>	<u>\$ (218,680)</u>	<u>\$ 0</u>	<u>\$ (327,996)</u>	<u>\$ 2,538,241</u>
\$ 44,501	\$ 1,634,005	\$ (57,429)	\$ (1,849,281)	\$ 0
1,308,604	5,388,338	1,199,260	6,164,174	0
(6,153)	1,125	0	0	0
<u>\$ 1,346,952</u>	<u>\$ 7,023,468</u>	<u>\$ 1,141,831</u>	<u>\$ 4,314,893</u>	<u>\$ 0</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Debt Service</u>	<u>Capital Projects</u>
	<u>Loans</u>	<u>General Government Facilities</u>
REVENUES		
Taxes	\$ 0	\$ 0
Permits, fees and special assessments	0	0
Intergovernmental revenues	0	0
Charges for services	0	0
Fines and forfeits	0	0
Miscellaneous revenues	690	62,050
Total revenues	<u>\$ 690</u>	<u>\$ 62,050</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
Capital outlay	0	5,245,396
Debt service:		
Principal	22,141,555	0
Interest	1,117,905	9,719
Total expenditures	<u>\$ 23,259,460</u>	<u>\$ 5,255,115</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (23,258,770)</u>	<u>\$ (5,193,065)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 4,263,969	\$ 289,500
Transfers out	0	0
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Capital leases issued	0	0
Refunding debt issued	0	0
Capital related debt issued	19,045,875	6,164,125
Bond discount	(50,525)	0
Debt refunding payment	0	0
Total other financing sources and uses	<u>\$ 23,259,319</u>	<u>\$ 6,453,625</u>
Net change in fund balances	\$ 549	\$ 1,260,560
Fund balances - beginning	33,183	495,622
Increase (decrease) in non-spendable	0	0
Fund balances - ending	<u><u>\$ 33,732</u></u>	<u><u>\$ 1,756,182</u></u>

Capital Projects

<i>Parks and Recreation Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Total</i>
\$ 0	\$ 0	\$ 88,966,247
0	0	11,450,211
209,667	0	6,264,024
0	0	6,677,111
0	0	1,020,566
30,622	25,490	4,014,895
<u>\$ 240,289</u>	<u>\$ 25,490</u>	<u>\$ 118,393,054</u>
\$ 0	\$ 0	\$ 6,078,647
0	0	23,370,254
0	0	14,178,882
0	0	5,512,505
0	0	10,819,825
0	0	6,113,564
0	0	41,545,041
1,175,205	18,627	6,439,228
0	0	36,455,941
0	0	3,109,571
<u>\$ 1,175,205</u>	<u>\$ 18,627</u>	<u>\$ 153,623,458</u>
<u>\$ (934,916)</u>	<u>\$ 6,863</u>	<u>\$ (35,230,404)</u>
\$ 0	\$ 0	\$ 19,968,596
(39,170)	(133,894)	(6,596,800)
862,950	0	950,016
0	0	413,312
0	0	31,597
0	0	12,410,000
0	0	25,210,000
0	0	(50,525)
0	0	(12,410,000)
<u>\$ 823,780</u>	<u>\$ (133,894)</u>	<u>\$ 39,926,196</u>
\$ (111,136)	\$ (127,031)	\$ 4,695,792
2,896,068	1,987,651	88,424,835
0	0	(159,457)
<u>\$ 2,784,932</u>	<u>\$ 1,860,620</u>	<u>\$ 92,961,170</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 13,377,071	\$ 12,968,470	\$ (408,601)
Intergovernmental revenues	0	90,767	90,767
Charges for services	1,038,213	1,005,838	(32,375)
Miscellaneous revenues	664,779	682,065	17,286
Total revenues	<u>\$ 15,080,063</u>	<u>\$ 14,747,140</u>	<u>\$ (332,923)</u>
EXPENDITURES			
Current:			
Culture and recreation	<u>\$ 27,761,276</u>	<u>\$ 18,689,222</u>	<u>\$ 9,072,054</u>
Deficiency of revenues under expenditures	<u>\$ (12,681,213)</u>	<u>\$ (3,942,082)</u>	<u>\$ 8,739,131</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 8,706,999	\$ 8,746,962	\$ 39,963
Transfers out	(1,008,248)	(996,309)	11,939
Proceeds of the sale of capital assets	3,250	104	(3,146)
Insurance proceeds	346,882	343,798	(3,084)
Total other financing sources and uses	<u>\$ 8,048,883</u>	<u>\$ 8,094,555</u>	<u>\$ 45,672</u>
Net change in fund balances	\$ (4,632,330)	\$ 4,152,473	\$ 8,784,803
Fund balances - beginning	5,646,392	5,646,392	0
Decrease in non-spendable	0	(58,963)	(58,963)
Fund balances - ending	<u><u>\$ 1,014,062</u></u>	<u><u>\$ 9,739,902</u></u>	<u><u>\$ 8,725,840</u></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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 17,358,895	\$ 16,835,411	\$ (523,484)
Permits, fees and special assessments	138,600	175,381	36,781
Intergovernmental revenues	0	32,636	32,636
Fines and forfeits	590,980	544,488	(46,492)
Miscellaneous revenues	186,271	428,595	242,324
Total revenues	<u>\$ 18,274,746</u>	<u>\$ 18,016,511</u>	<u>\$ (258,235)</u>
EXPENDITURES			
Current:			
Culture and recreation	<u>\$ 24,862,857</u>	<u>\$ 18,487,450</u>	<u>\$ 6,375,407</u>
Deficiency of revenues under expenditures	<u>\$ (6,588,111)</u>	<u>\$ (470,939)</u>	<u>\$ 6,117,172</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 219,435	\$ 337,337	\$ 117,902
Transfers out	(1,585,769)	(1,563,294)	22,475
Insurance proceeds	13,729	13,729	0
Total other financing sources and uses	<u>\$ (1,352,605)</u>	<u>\$ (1,212,228)</u>	<u>\$ 140,377</u>
Net change in fund balances	\$ (7,940,716)	\$ (1,683,167)	\$ 6,257,549
Fund balances - beginning	10,850,076	10,850,076	0
Increase in non-spendable	0	72,099	72,099
Fund balances - ending	<u><u>\$ 2,909,360</u></u>	<u><u>\$ 9,239,008</u></u>	<u><u>\$ 6,329,648</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 6,861,346	\$ 6,648,243	\$ (213,103)
Intergovernmental revenues	0	2,883	2,883
Charges for services	75,000	24,221	(50,779)
Miscellaneous revenues	48,000	71,178	23,178
Total revenues	<u>\$ 6,984,346</u>	<u>\$ 6,746,525</u>	<u>\$ (237,821)</u>
EXPENDITURES			
Current:			
Physical environment	\$ 331,005	\$ 282,579	\$ 48,426
Human services	7,277,602	6,113,564	1,164,038
Total expenditures	<u>\$ 7,608,607</u>	<u>\$ 6,396,143</u>	<u>\$ 1,212,464</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (624,261)</u>	<u>\$ 350,382</u>	<u>\$ 974,643</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 184,274	\$ 185,834	\$ 1,560
Transfers out	(644,088)	(636,284)	7,804
Proceeds of the sale of capital assets	15,000	42,419	27,419
Insurance proceeds	5,000	32,192	27,192
Total other financing sources and uses	<u>\$ (439,814)</u>	<u>\$ (375,839)</u>	<u>\$ 63,975</u>
Net change in fund balances	\$ (1,064,075)	\$ (25,457)	\$ 1,038,618
Fund balances - beginning	4,050,969	4,050,969	0
Decrease in non-spendable	0	(197,009)	(197,009)
Fund balances - ending	<u><u>\$ 2,986,894</u></u>	<u><u>\$ 3,828,503</u></u>	<u><u>\$ 841,609</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 5,516,835	\$ 5,354,683	\$ (162,152)
Intergovernmental revenues	0	3,398	3,398
Miscellaneous revenues	23,185	146,171	122,986
Total revenues	<u>\$ 5,540,020</u>	<u>\$ 5,504,252</u>	<u>\$ (35,768)</u>
EXPENDITURES			
Current:			
Transportation	<u>\$ 11,994,459</u>	<u>\$ 5,512,505</u>	<u>\$ 6,481,954</u>
Deficiency of revenues under expenditures	<u>\$ (6,454,439)</u>	<u>\$ (8,253)</u>	<u>\$ 6,446,186</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 22,675	\$ 37,846	\$ 15,171
Transfers out	(193,904)	(185,656)	8,248
Proceeds of the sale of capital assets	0	34,037	34,037
Total other financing sources and uses	<u>\$ (171,229)</u>	<u>\$ (113,773)</u>	<u>\$ 57,456</u>
Net change in fund balances	\$ (6,625,668)	\$ (122,026)	\$ 6,503,642
Fund balances - beginning	8,596,817	8,596,817	0
Increase in non-spendable	0	31,244	31,244
Fund balances - ending	<u><u>\$ 1,971,149</u></u>	<u><u>\$ 8,506,035</u></u>	<u><u>\$ 6,534,886</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Permits, fees and special assessments	\$ 6,193,187	\$ 6,004,311	\$ (188,876)
Intergovernmental revenues	152,346	418,998	266,652
Charges for services	36,000	43,129	7,129
Miscellaneous revenues	120,539	160,796	40,257
Total revenues	<u>\$ 6,502,072</u>	<u>\$ 6,627,234</u>	<u>\$ 125,162</u>
EXPENDITURES			
Current:			
Physical environment	\$ 13,745,525	\$ 3,036,618	\$ 10,708,907
Debt service:			
Principal	120,108	120,000	108
Interest	63,825	23,329	40,496
Total expenditures	<u>\$ 13,929,458</u>	<u>\$ 3,179,947</u>	<u>\$ 10,749,511</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (7,427,386)</u>	<u>\$ 3,447,287</u>	<u>\$ 10,874,673</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers out	\$ (384,058)	\$ (324,273)	\$ 59,785
Proceeds of the sale of capital assets	0	66	66
Insurance proceeds	0	4,657	4,657
Total other financing sources and uses	<u>\$ (384,058)</u>	<u>\$ (319,550)</u>	<u>\$ 64,508</u>
Net change in fund balances	\$ (7,811,444)	\$ 3,127,737	\$ 10,939,181
Fund balances - beginning	<u>11,740,388</u>	<u>11,740,388</u>	<u>0</u>
Fund balances - ending	<u>\$ 3,928,944</u>	<u>\$ 14,868,125</u>	<u>\$ 10,939,181</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental revenues	\$ 0	\$ 5,628	\$ 5,628
Charges for services	3,140,594	3,221,578	80,984
Fines and forfeits	377,491	466,291	88,800
Miscellaneous revenues	658,145	1,176,340	518,195
Total revenues	<u>\$ 4,176,230</u>	<u>\$ 4,869,837</u>	<u>\$ 693,607</u>
EXPENDITURES			
Current:			
General government	\$ 4,643,259	\$ 4,455,293	\$ 187,966
Public safety	2,753,082	1,852,541	900,541
Debt service:			
Principal	0	4,386	(4,386)
Interest	0	538	(538)
Total expenditures	<u>\$ 7,396,341</u>	<u>\$ 6,312,758</u>	<u>\$ 1,083,583</u>
Deficiency of revenues under expenditures	<u>\$ (3,220,111)</u>	<u>\$ (1,442,921)</u>	<u>\$ 1,777,190</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 3,376,984	\$ 3,208,432	\$ (168,552)
Transfers out	(655,382)	(603,517)	51,865
Capital leases issued	0	31,597	31,597
Total other financing sources and uses	<u>\$ 2,721,602</u>	<u>\$ 2,636,512</u>	<u>\$ (85,090)</u>
Net change in fund balances	\$ (498,509)	\$ 1,193,591	\$ 1,692,100
Fund balances - beginning	2,669,092	2,669,092	0
Increase in non-spendable	0	2,109	2,109
Fund balances - ending	<u>\$ 2,170,583</u>	<u>\$ 3,864,792</u>	<u>\$ 1,694,209</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 18,281,852	\$ 17,545,198	\$ (736,654)
Intergovernmental revenues	1,125,735	1,084,720	(41,015)
Charges for services	830,511	815,511	(15,000)
Miscellaneous revenues	24,236	158,641	134,405
Total revenues	<u>\$ 20,262,334</u>	<u>\$ 19,604,070</u>	<u>\$ (658,264)</u>
EXPENDITURES			
Current:			
Public safety	\$ 20,644,698	\$ 17,967,556	\$ 2,677,142
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (382,364)</u>	<u>\$ 1,636,514</u>	<u>\$ 2,018,878</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 122,982	\$ 122,982
Transfers out	(628,028)	(605,241)	22,787
Proceeds of the sale of capital assets	5,000	9,122	4,122
Total other financing sources and uses	<u>\$ (623,028)</u>	<u>\$ (473,137)</u>	<u>\$ 149,891</u>
Net change in fund balances	\$ (1,005,392)	\$ 1,163,377	\$ 2,168,769
Fund balances - beginning	<u>1,906,596</u>	<u>1,906,596</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 901,204</u></u>	<u><u>\$ 3,069,973</u></u>	<u><u>\$ 2,168,769</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 15,452,037	\$ 15,582,944	\$ 130,907
Intergovernmental revenues	0	3,042,431	3,042,431
Miscellaneous revenues	370,011	426,688	56,677
Total revenues	<u>\$ 15,822,048</u>	<u>\$ 19,052,063</u>	<u>\$ 3,230,015</u>
EXPENDITURES			
Current:			
Physical environment	\$ 12,394,413	\$ 8,659,366	\$ 3,735,047
Economic environment	9,817,541	9,516,849	300,692
Culture and recreation	7,966,949	4,368,369	3,598,580
Intergovernmental	1,899,495	0	1,899,495
Total expenditures	<u>\$ 32,078,398</u>	<u>\$ 22,544,584</u>	<u>\$ 9,533,814</u>
Deficiency of revenues under expenditures	<u>\$ (16,256,350)</u>	<u>\$ (3,492,521)</u>	<u>\$ 12,763,829</u>
OTHER FINANCING USES			
Transfers out	\$ (961,389)	\$ (791,729)	\$ 169,660
Net change in fund balances	\$ (17,217,739)	\$ (4,284,250)	\$ 12,933,489
Fund balances - beginning	20,120,431	20,120,431	0
Decrease in non-spendable	0	(3,909)	(3,909)
Fund balances - ending	<u><u>\$ 2,902,692</u></u>	<u><u>\$ 15,832,272</u></u>	<u><u>\$ 12,929,580</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental revenues	\$ 1,349,513	\$ 1,355,451	\$ 5,938
Miscellaneous revenues	16,000	326,301	310,301
Total revenues	<u>\$ 1,365,513</u>	<u>\$ 1,681,752</u>	<u>\$ 316,239</u>
EXPENDITURES			
Current:			
Economic environment	<u>\$ 4,698,568</u>	<u>\$ 1,302,976</u>	<u>\$ 3,395,592</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,333,055)</u>	<u>\$ 378,776</u>	<u>\$ 3,711,831</u>
OTHER FINANCING SOURCES			
Transfers in	<u>\$ 22,597</u>	<u>\$ 0</u>	<u>\$ (22,597)</u>
Net change in fund balances	\$ (3,310,458)	\$ 378,776	\$ 3,689,234
Fund balances - beginning	3,371,174	3,371,174	0
Fund balances - ending	<u><u>\$ 60,716</u></u>	<u><u>\$ 3,749,950</u></u>	<u><u>\$ 3,689,234</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 2,149,711	\$ 2,083,501	\$ (66,210)
Intergovernmental revenues	0	9,152	9,152
Charges for services	684	1,814	1,130
Miscellaneous revenues	49,173	63,363	14,190
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>\$ 2,199,568</u>	<u>\$ 2,157,830</u>	<u>\$ (41,738)</u>
EXPENDITURES			
Current:			
Physical environment	<u>\$ 3,450,899</u>	<u>\$ 2,200,319</u>	<u>\$ 1,250,580</u>
Deficiency of revenues under expenditures	<u>\$ (1,251,331)</u>	<u>\$ (42,489)</u>	<u>\$ 1,208,842</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 139,394	\$ 148,489	\$ 9,095
Transfers out	(82,058)	(80,576)	1,482
Proceeds of the sale of capital assets	0	141	141
Insurance proceeds	19,717	18,936	(781)
	<u> </u>	<u> </u>	<u> </u>
Total other financing sources and uses	<u>\$ 77,053</u>	<u>\$ 86,990</u>	<u>\$ 9,937</u>
Net change in fund balances	\$ (1,174,278)	\$ 44,501	\$ 1,218,779
Fund balances - beginning	1,308,604	1,308,604	0
Decrease in non-spendable	0	(6,153)	(6,153)
	<u> </u>	<u> </u>	<u> </u>
Fund balances - ending	<u>\$ 134,326</u>	<u>\$ 1,346,952</u>	<u>\$ 1,212,626</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 15,000	\$ 17,827	\$ 2,827
Permits, fees and special assessments	2,922,500	5,270,519	2,348,019
Intergovernmental revenues	0	8,293	8,293
Fines and forfeits	7,500	9,787	2,287
Miscellaneous revenues	40,000	96,416	56,416
	<u>\$ 2,985,000</u>	<u>\$ 5,402,842</u>	<u>\$ 2,417,842</u>
EXPENDITURES			
Current:			
Public safety	\$ 4,212,683	\$ 3,550,157	\$ 662,526
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,227,683)</u>	<u>\$ 1,852,685</u>	<u>\$ 3,080,368</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 10,590	\$ 5,295	\$ (5,295)
Transfers out	(225,152)	(225,152)	0
Proceeds of the sale of capital assets	0	1,177	1,177
	<u>\$ (214,562)</u>	<u>\$ (218,680)</u>	<u>\$ (4,118)</u>
Net change in fund balances	\$ (1,442,245)	\$ 1,634,005	\$ 3,076,250
Fund balances - beginning	5,388,338	5,388,338	0
Increase in non-spendable	0	1,125	1,125
Fund balances - ending	<u>\$ 3,946,093</u>	<u>\$ 7,023,468</u>	<u>\$ 3,077,375</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Charges for services	\$ 1,325,000	\$ 1,565,020	\$ 240,020
Miscellaneous revenues	0	905	905
Total revenues	<u>\$ 1,325,000</u>	<u>\$ 1,565,925</u>	<u>\$ 240,925</u>
EXPENDITURES			
Current:			
General government	<u>\$ 1,625,000</u>	<u>\$ 1,623,354</u>	<u>\$ 1,646</u>
Net change in fund balances	\$ (300,000)	\$ (57,429)	\$ 242,571
Fund balances - beginning	<u>1,199,260</u>	<u>1,199,260</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 899,260</u></u>	<u><u>\$ 1,141,831</u></u>	<u><u>\$ 242,571</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 12,301,985	\$ 11,929,970	\$ (372,015)
Miscellaneous revenues	79,500	158,584	79,084
Total revenues	<u>\$ 12,381,485</u>	<u>\$ 12,088,554</u>	<u>\$ (292,931)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 12,000,000	\$ 12,000,000	\$ 0
Interest	1,638,196	1,609,839	28,357
Total expenditures	<u>\$ 13,638,196</u>	<u>\$ 13,609,839</u>	<u>\$ 28,357</u>
Deficiency of revenues under expenditures	<u>\$ (1,256,711)</u>	<u>\$ (1,521,285)</u>	<u>\$ (264,574)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 92,000	\$ 83,709	\$ (8,291)
Transfers out	(522,114)	(411,705)	110,409
Refunding debt issued	0	12,410,000	12,410,000
Debt refunding payment	<u>0</u>	<u>(12,410,000)</u>	<u>(12,410,000)</u>
Total other financing sources and uses	<u>\$ (430,114)</u>	<u>\$ (327,996)</u>	<u>\$ 102,118</u>
Net change in fund balances	\$ (1,686,825)	\$ (1,849,281)	\$ (162,456)
Fund balances - beginning	<u>6,164,174</u>	<u>6,164,174</u>	<u>0</u>
Fund balances - ending	<u>\$ 4,477,349</u>	<u>\$ 4,314,893</u>	<u>\$ (162,456)</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Debt service:			
Principal	\$ 2,190,000	\$ 2,190,000	\$ 0
Interest	348,247	348,241	6
Total expenditures	<u>\$ 2,538,247</u>	<u>\$ 2,538,241</u>	<u>\$ 6</u>
Deficiency of revenues under expenditures	<u>\$ (2,538,247)</u>	<u>\$ (2,538,241)</u>	<u>\$ 6</u>
OTHER FINANCING SOURCES			
Transfers in	<u>\$ 2,538,247</u>	<u>\$ 2,538,241</u>	<u>\$ (6)</u>
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

BREVARD COUNTY, FLORIDA

LOANS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 690	\$ 690
EXPENDITURES			
Debt service:			
Principal	\$ 22,281,555	\$ 22,141,555	\$ 140,000
Interest	1,306,469	1,117,905	188,564
Total expenditures	<u>\$ 23,588,024</u>	<u>\$ 23,259,460</u>	<u>\$ 328,564</u>
Deficiency of revenues under expenditures	<u>\$ (23,588,024)</u>	<u>\$ (23,258,770)</u>	<u>\$ 329,254</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 4,592,674	\$ 4,263,969	\$ (328,705)
Capital related debt issued	19,045,875	19,045,875	0
Bond discount	<u>(50,525)</u>	<u>(50,525)</u>	<u>0</u>
Total other financing sources and uses	<u>\$ 23,588,024</u>	<u>\$ 23,259,319</u>	<u>\$ (328,705)</u>
Net change in fund balances	\$ 0	\$ 549	\$ 549
Fund balances - beginning	<u>33,183</u>	<u>33,183</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 33,183</u></u>	<u><u>\$ 33,732</u></u>	<u><u>\$ 549</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, 2018

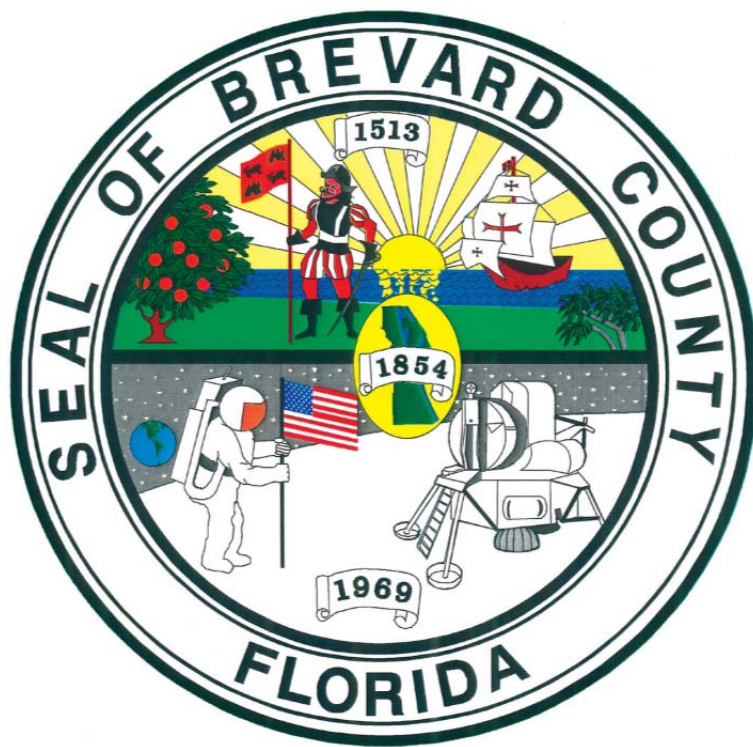
	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Miscellaneous revenues	\$ 1,000	\$ 62,050	\$ 61,050
EXPENDITURES			
Capital outlay	\$ 7,460,204	\$ 5,245,396	\$ 2,214,808
Debt service:			
Principal	283,000	0	283,000
Interest	6,500	9,719	(3,219)
Total expenditures	<u>\$ 7,749,704</u>	<u>\$ 5,255,115</u>	<u>\$ 2,494,589</u>
Deficiency of revenues under expenditures	<u>\$ (7,748,704)</u>	<u>\$ (5,193,065)</u>	<u>\$ 2,555,639</u>
OTHER FINANCING SOURCES			
Transfers in	\$ 289,500	\$ 289,500	\$ 0
Capital related debt issued	<u> 6,164,125</u>	<u> 6,164,125</u>	<u> 0</u>
Total other financing sources	<u>\$ 6,453,625</u>	<u>\$ 6,453,625</u>	<u>\$ 0</u>
Net change in fund balances	\$ (1,295,079)	\$ 1,260,560	\$ 2,555,639
Fund balances - beginning	<u> 495,622</u>	<u> 495,622</u>	<u> 0</u>
Fund balances - ending	<u><u>\$ (799,457)</u></u>	<u><u>\$ 1,756,182</u></u>	<u><u>\$ 2,555,639</u></u>

BREVARD COUNTY, FLORIDA
PARKS AND RECREATIONAL FACILITIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 200,000	\$ 209,667	\$ 9,667
Miscellaneous revenues	8,200	30,622	22,422
Total revenues	<u>\$ 208,200</u>	<u>\$ 240,289</u>	<u>\$ 32,089</u>
EXPENDITURES			
Capital outlay	\$ 1,910,643	\$ 1,175,205	\$ 735,438
Deficiency of revenues under expenditures	<u>\$ (1,702,443)</u>	<u>\$ (934,916)</u>	<u>\$ 767,527</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers out	\$ (39,170)	\$ (39,170)	\$ 0
Proceeds of the sale of capital assets	0	862,950	862,950
Total other financing sources and uses	<u>\$ (39,170)</u>	<u>\$ 823,780</u>	<u>\$ 862,950</u>
Net change in fund balances	\$ (1,741,613)	\$ (111,136)	\$ 1,630,477
Fund balances - beginning	<u>2,896,068</u>	<u>2,896,068</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 1,154,455</u></u>	<u><u>\$ 2,784,932</u></u>	<u><u>\$ 1,630,477</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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Miscellaneous revenues	\$ 23,085	\$ 25,490	\$ 2,405
EXPENDITURES			
Capital outlay	\$ 1,160,212	\$ 18,627	\$ 1,141,585
Excess (deficiency) of revenues over (under) expenditures	\$ (1,137,127)	\$ 6,863	\$ 1,143,990
OTHER FINANCING USES			
Transfers out	\$ (133,894)	\$ (133,894)	\$ 0
Net change in fund balances	\$ (1,271,021)	\$ (127,031)	\$ 1,143,990
Fund balances - beginning	<u>1,987,651</u>	<u>1,987,651</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 716,630</u></u>	<u><u>\$ 1,860,620</u></u>	<u><u>\$ 1,143,990</u></u>



Nonmajor Proprietary Funds

Solid Waste Collection Services - 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 - 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 - to account for fees and expenses associated with the operation of Spessard Holland Golf Course, Habitat Golf Course, and Savannahs at Sykes Creek Golf Course.

Barefoot Bay Water and Sewer District - 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.

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2018

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 5,474,106	\$ 629
Accounts receivable (net of allowance for uncollectibles)	12,434	39,301
Accrued interest receivable	1,463	0
Due from other governmental units	10,107,679	2,768,648
Inventories	0	0
Prepaid items	0	44,779
Restricted assets:		
Cash and cash equivalents	0	0
Total current assets	<u>\$ 15,595,682</u>	<u>\$ 2,853,357</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 0	\$ 298,270
Goodwill	0	0
Construction in progress	0	110,448
Buildings and structures	0	1,994,096
Improvements to land	0	25,005
Improvements other than buildings	0	1,767,835
Machinery and equipment	0	25,300,311
Less accumulated depreciation	0	(20,591,914)
Total noncurrent assets	<u>\$ 0</u>	<u>\$ 8,904,051</u>
Total assets	<u>\$ 15,595,682</u>	<u>\$ 11,757,408</u>
DEFERRED OUTFLOWS OF RESOURCES		
Refunding	\$ 0	\$ 0
Pensions	0	1,445,397
Total deferred outflows of resources	<u>\$ 0</u>	<u>\$ 1,445,397</u>

<i>Activities - Enterprise Funds</i>		
<i>Brevard County Golf Courses</i>	<i>Barefoot Bay Water and Sewer District</i>	<i>Total</i>
\$ 60,198	\$ 2,766,951	\$ 8,301,884
164,388	240,310	456,433
0	0	1,463
135,991	23,120	13,035,438
0	88,018	88,018
0	0	44,779
0	673,712	673,712
<u>\$ 360,577</u>	<u>\$ 3,792,111</u>	<u>\$ 22,601,727</u>
\$ 1,334,429	\$ 5,102,165	\$ 6,734,864
0	940,130	940,130
0	562,076	672,524
2,074,851	1,339,186	5,408,133
4,868,175	0	4,893,180
111,718	15,240,869	17,120,422
106,528	883,494	26,290,333
(5,791,264)	(13,172,535)	(39,555,713)
<u>\$ 2,704,437</u>	<u>\$ 10,895,385</u>	<u>\$ 22,503,873</u>
<u>\$ 3,065,014</u>	<u>\$ 14,687,496</u>	<u>\$ 45,105,600</u>
\$ 0	\$ 18,444	\$ 18,444
0	230,731	1,676,128
<u>\$ 0</u>	<u>\$ 249,175</u>	<u>\$ 1,694,572</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2018

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
LIABILITIES		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 1,404,125	\$ 1,022,235
Accrued interest payable	0	0
Due to other funds	649,421	1,191,000
Unearned revenue	0	0
Customer deposits	0	0
Accrued compensated absences	0	45,287
Revenue bonds	0	0
Total current liabilities (payable from current assets)	\$ 2,053,546	\$ 2,258,522
Noncurrent liabilities:		
Due within one year:		
Accrued compensated absences	\$ 0	\$ 431,410
Total OPEB liability	0	458,075
Net pension liability	0	3,655,318
Advances from other funds	8,487,461	0
Revenue bonds payable (net of unamortized premium and discount)	0	0
Total noncurrent liabilities	\$ 8,487,461	\$ 4,544,803
Total liabilities	\$ 10,541,007	\$ 6,803,325
DEFERRED INFLOWS OF RESOURCES		
OPEB	\$ 0	\$ 203,893
Pensions	0	470,891
Total deferred inflows of resources	\$ 0	\$ 674,784
NET POSITION		
Net investment in capital assets	\$ 0	\$ 8,904,051
Restricted for debt service	0	0
Unrestricted	5,054,675	(3,179,355)
Total net position	\$ 5,054,675	\$ 5,724,696

Activities - Enterprise Funds

<u>Brevard County Golf Courses</u>	<u>Barefoot Bay Water and Sewer District</u>	<u>Total</u>
\$ 52,349	\$ 221,087	\$ 2,699,796
0	139,709	139,709
0	60,000	1,900,421
7,190	0	7,190
0	63,825	63,825
0	7,773	53,060
0	536,000	536,000
<u>\$ 59,539</u>	<u>\$ 1,028,394</u>	<u>\$ 5,400,001</u>
\$ 0	\$ 101,142	\$ 532,552
0	47,799	505,874
0	588,948	4,244,266
0	360,000	8,847,461
<u>0</u>	<u>10,248,000</u>	<u>10,248,000</u>
<u>\$ 0</u>	<u>\$ 11,345,889</u>	<u>\$ 24,378,153</u>
<u>\$ 59,539</u>	<u>\$ 12,374,283</u>	<u>\$ 29,778,154</u>
\$ 0	\$ 21,276	\$ 225,169
0	71,764	542,655
<u>\$ 0</u>	<u>\$ 93,040</u>	<u>\$ 767,824</u>
\$ 2,704,437	\$ 129,829	\$ 11,738,317
0	673,712	673,712
301,038	1,665,807	3,842,165
<u>\$ 3,005,475</u>	<u>\$ 2,469,348</u>	<u>\$ 16,254,194</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
Operating revenues:		
Service fees	\$ 12,694,750	\$ 1,818,959
Operating expenses:		
Wages and benefits	\$ 0	\$ 6,512,175
Repair, maintenance, and other services	21,282,503	4,727,708
Materials and supplies	0	1,861,421
Depreciation	0	2,561,654
Total operating expenses	\$ 21,282,503	\$ 15,662,958
Operating income (loss)	\$ (8,587,753)	\$ (13,843,999)
Nonoperating revenues (expenses):		
Interest income	\$ 160,833	\$ 0
Interest expense	(158,290)	0
Miscellaneous revenue	85,387	6,391
Grants and matching funds	7,805,847	12,426,790
Gain (loss) on disposal of capital assets	0	235,862
Total nonoperating revenue (expense)	\$ 7,893,777	\$ 12,669,043
Gain (loss) before contributions and transfers	\$ (693,976)	\$ (1,174,956)
Capital contributions	0	738,905
Transfers in	0	1,859,453
Transfers out	(194,280)	0
Change in net position	\$ (888,256)	\$ 1,423,402
Net position - beginning	\$ 5,942,931	\$ 4,473,583
Cumulative effect of change in accounting principle	0	(172,289)
Net position - beginning, restated	\$ 5,942,931	\$ 4,301,294
Net position - ending	\$ 5,054,675	\$ 5,724,696

Activities - Enterprise Funds

<u>Brevard County Golf Courses</u>	<u>Barefoot Bay Water and Sewer District</u>	<u>Total</u>
\$ 2,125,575	\$ 4,015,008	\$ 20,654,292
\$ 0	\$ 910,667	\$ 7,422,842
2,990,144	934,913	29,935,268
2,151	147,144	2,010,716
190,100	251,742	3,003,496
<u>\$ 3,182,395</u>	<u>\$ 2,244,466</u>	<u>\$ 42,372,322</u>
<u>\$ (1,056,820)</u>	<u>\$ 1,770,542</u>	<u>\$ (21,718,030)</u>
\$ 5,410	\$ 31,943	\$ 198,186
0	(535,280)	(693,570)
207,190	30,329	329,297
0	3,021	20,235,658
(1,461,785)	10,810	(1,215,113)
<u>\$ (1,249,185)</u>	<u>\$ (459,177)</u>	<u>\$ 18,854,458</u>
\$ (2,306,005)	\$ 1,311,365	\$ (2,863,572)
0	6,415	745,320
350,000	0	2,209,453
(9,919)	(113,918)	(318,117)
<u>\$ (1,965,924)</u>	<u>\$ 1,203,862</u>	<u>\$ (226,916)</u>
\$ 4,971,399	\$ 1,253,674	\$ 16,641,587
0	11,812	(160,477)
<u>\$ 4,971,399</u>	<u>\$ 1,265,486</u>	<u>\$ 16,481,110</u>
<u>\$ 3,005,475</u>	<u>\$ 2,469,348</u>	<u>\$ 16,254,194</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Nonmajor</i>
	<i>Solid Waste Collection Services</i>
Cash flows from operating activities:	
Cash receipts for service fees	\$ 12,692,352
Cash receipts from other sources	92,095
Cash payments to employees for services	0
Cash payments to suppliers for goods and services	(21,835,020)
Net cash from operating activities	\$ (9,050,573)
Cash flows from noncapital financing activities:	
Grant receipts	\$ 11,524,170
Transfers in	0
Transfers out	(194,280)
Interfund loans	(899,034)
Net cash flows from noncapital financing activities	\$ 10,430,856
Cash flows from capital and related financing activities:	
Debt proceeds	\$ 0
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
Impact/connection fees for capital purposes	0
Net cash flows from capital and related financing activities	\$ 0
Cash flows from investing activities:	
Interest income	\$ 160,833
Net increase (decrease) in cash and cash equivalents	\$ 1,541,116
Cash and cash equivalents, October 1, 2017	3,932,990
Cash and cash equivalents, September 30, 2018	\$ 5,474,106

Business-type Activities - Enterprise Funds

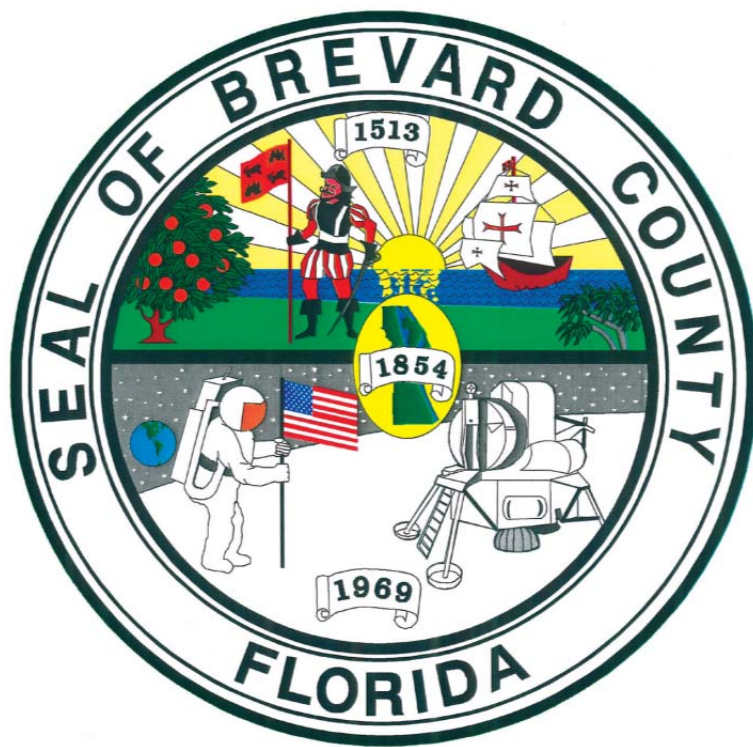
<i>Space Coast Area Transit</i>	<i>Brevard County Golf Courses</i>	<i>Barefoot Bay Water and Sewer District</i>	<i>Total</i>
\$ 1,895,727	\$ 2,137,831	\$ 3,980,718	\$ 20,706,628
6,391	42,190	23,249	163,925
(6,301,234)	0	(870,659)	(7,171,893)
(6,451,155)	(2,974,270)	(1,101,015)	(32,361,460)
<u>\$ (10,850,271)</u>	<u>\$ (794,249)</u>	<u>\$ 2,032,293</u>	<u>\$ (18,662,800)</u>
\$ 10,552,154	\$ 0	\$ 7,552	\$ 22,083,876
1,859,453	350,000	0	2,209,453
0	(9,919)	(113,918)	(318,117)
891,500	0	(60,000)	(67,534)
<u>\$ 13,303,107</u>	<u>\$ 340,081</u>	<u>\$ (166,366)</u>	<u>\$ 23,907,678</u>
\$ 0	\$ 0	\$ 56,269	\$ 56,269
0	0	(829,269)	(829,269)
0	0	(625,552)	(625,552)
738,905	0	0	738,905
(3,441,822)	0	(387,338)	(3,829,160)
249,420	124,047	8,138	381,605
0	0	6,415	6,415
<u>\$ (2,453,497)</u>	<u>\$ 124,047</u>	<u>\$ (1,771,337)</u>	<u>\$ (4,100,787)</u>
\$ 0	\$ 5,410	\$ 31,943	\$ 198,186
\$ (661)	\$ (324,711)	\$ 126,533	\$ 1,342,277
1,290	384,909	3,314,130	7,633,319
<u>\$ 629</u>	<u>\$ 60,198</u>	<u>\$ 3,440,663</u>	<u>\$ 8,975,596</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Nonmajor</i>
	<i>Solid Waste Collection Services</i>
Reconciliation of operating loss to net cash flows from operating activities	
Operating income (loss)	\$ (8,587,753)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation expense	\$ 0
Miscellaneous revenue	85,387
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	4,310
(Increase) decrease in due from other governmental units	0
(Increase) decrease in prepaid items	0
(Increase) decrease in inventory of supplies	0
(Increase) decrease in deferred outflows	0
Increase (decrease) in vouchers and contracts payable	(552,517)
Increase (decrease) in due to other governmental units	0
Increase (decrease) in unearned revenue	0
Increase (decrease) in customer deposits	0
Increase (decrease) in accrued compensated absences	0
Increase (decrease) in total OPEB liability	0
Increase (decrease) in net pension liability	0
Increase (decrease) in deferred inflows	0
Total adjustments	\$ (462,820)
Net cash from operating activities	\$ (9,050,573)
Non-cash investing, capital, and financing activities:	
Capital contributed by developers, individuals, and governmental entities	\$ 0
Fair value of traded in capital assets added to the value of new assets	\$ 0
Proceeds of refunding debt	\$ 0
Principal paid from refunding debt proceeds	\$ 0

Business-type Activities - Enterprise Funds

<u>Space Coast Area Transit</u>	<u>Brevard County Golf Courses</u>	<u>Barefoot Bay Water and Sewer District</u>	<u>Total</u>
\$ (13,843,999)	\$ (1,056,820)	\$ 1,770,542	\$ (21,718,030)
\$ 2,561,654	\$ 190,100	\$ 251,742	\$ 3,003,496
6,391	207,190	30,329	329,297
23,988	(149,190)	(36,510)	(157,402)
89,695	0	0	89,695
(23,721)	0	0	(23,721)
0	0	(12,160)	(12,160)
74,848	0	10,284	85,132
124,727	11,637	(6,683)	(422,836)
0	(4,356)	0	(4,356)
0	7,190	0	7,190
0	0	(4,975)	(4,975)
17,376	0	12,351	29,727
(235,831)	0	(24,609)	(260,440)
(13,416)	0	(1,843)	(15,259)
368,017	0	43,825	411,842
<u>\$ 2,993,728</u>	<u>\$ 262,571</u>	<u>\$ 261,751</u>	<u>\$ 3,055,230</u>
<u>\$ (10,850,271)</u>	<u>\$ (794,249)</u>	<u>\$ 2,032,293</u>	<u>\$ (18,662,800)</u>
<u>\$ 138,987</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 138,987</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,922</u>	<u>\$ 2,922</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,643,731</u>	<u>\$ 9,643,731</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (9,643,731)</u>	<u>\$ (9,643,731)</u>



Internal Service Funds

Information Systems - to account for service charge revenues and expenses associated with telecommunications support, computer system management and security, and software development support and services to the various departments and agencies of Brevard County.

Risk Management - 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, 2018

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
ASSETS			
Current assets:			
Cash	\$ 375,979	\$ 63,585,383	\$ 63,961,362
Cash with escrow and paying agent	0	1,125,191	1,125,191
Accounts receivable	6,671	202,595	209,266
Due from other funds	0	2,942,763	2,942,763
Due from other governmental units	22,805	809,349	832,154
Prepaid items	409,714	1,864,868	2,274,582
Total current assets	\$ 815,169	\$ 70,530,149	\$ 71,345,318
Noncurrent assets:			
Capital assets:			
Machinery and equipment	\$ 7,255,427	\$ 117,337	\$ 7,372,764
Less accumulated depreciation	(6,407,805)	(75,450)	(6,483,255)
Total noncurrent assets	\$ 847,622	\$ 41,887	\$ 889,509
Total assets	\$ 1,662,791	\$ 70,572,036	\$ 72,234,827
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	\$ 723,869	\$ 318,965	\$ 1,042,834
LIABILITIES			
Current liabilities:			
Vouchers and contracts payable	\$ 218,009	\$ 1,025,076	\$ 1,243,085
Claims payable	0	8,180,677	8,180,677
Accrued compensated absences	22,858	27,883	50,741
Total current liabilities	\$ 240,867	\$ 9,233,636	\$ 9,474,503
Noncurrent liabilities:			
Claims payable	\$ 0	\$ 8,241,905	\$ 8,241,905
Accrued compensated absences	205,350	90,592	295,942
Total OPEB liability	165,704	68,512	234,216
Net pension liability	1,843,386	855,649	2,699,035
Total noncurrent liabilities	\$ 2,214,440	\$ 9,256,658	\$ 11,471,098
Total liabilities	\$ 2,455,307	\$ 18,490,294	\$ 20,945,601
DEFERRED INFLOWS OF RESOURCES			
OPEB	\$ 73,756	\$ 30,495	\$ 104,251
Pensions	258,252	121,439	379,691
Total deferred inflows of resources	\$ 332,008	\$ 151,934	\$ 483,942
NET POSITION			
Net investment in capital assets	\$ 847,622	\$ 41,887	\$ 889,509
Unrestricted	(1,248,277)	52,206,886	50,958,609
Total net position	\$ (400,655)	\$ 52,248,773	\$ 51,848,118

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Information Systems</u>	<u>Risk Management</u>	<u>Total</u>
Operating revenues:			
Service fees	\$ 3,371,054	\$ 64,143,431	\$ 67,514,485
Operating expenses:			
Wages and benefits	\$ 3,384,257	\$ 1,258,958	\$ 4,643,215
Repair, maintenance, and other services	2,785,174	7,919,490	10,704,664
Materials and supplies	312,855	21,724	334,579
Depreciation	372,639	10,782	383,421
Insurance claims expense	0	54,434,689	54,434,689
Total operating expenses	<u>\$ 6,854,925</u>	<u>\$ 63,645,643</u>	<u>\$ 70,500,568</u>
Operating income (loss)	<u>\$ (3,483,871)</u>	<u>\$ 497,788</u>	<u>\$ (2,986,083)</u>
Nonoperating revenues (expenses):			
Interest income	\$ 1,825	\$ 768,974	\$ 770,799
Miscellaneous revenue	27,227	2,443,613	2,470,840
Loss on disposal of capital assets	(17,214)	0	(17,214)
Total nonoperating revenues (expenses)	<u>\$ 11,838</u>	<u>\$ 3,212,587</u>	<u>\$ 3,224,425</u>
Income (loss) before contributions and transfers	\$ (3,472,033)	\$ 3,710,375	\$ 238,342
Capital contributions	14,332	0	14,332
Transfers in	3,286,940	0	3,286,940
Transfers out	0	(15,580)	(15,580)
Change in net position	<u>\$ (170,761)</u>	<u>\$ 3,694,795</u>	<u>\$ 3,524,034</u>
Net position - beginning	\$ (160,630)	\$ 48,562,607	\$ 48,401,977
Cumulative effect of change in accounting principle	(69,264)	(8,629)	(77,893)
Net assets - beginning, restated	<u>\$ (229,894)</u>	<u>\$ 48,553,978</u>	<u>\$ 48,324,084</u>
Net position - ending	<u><u>\$ (400,655)</u></u>	<u><u>\$ 52,248,773</u></u>	<u><u>\$ 51,848,118</u></u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Information Systems</u>	<u>Risk Management</u>	<u>Total</u>
Cash flows from operating activities:			
Cash receipts for service fees	\$ 3,373,353	\$ 61,470,419	\$ 64,843,772
Cash receipts from other sources	32,298	2,672,626	2,704,924
Cash payments to employees for services	(3,251,838)	(1,224,054)	(4,475,892)
Cash payments to suppliers for goods and services	(3,158,919)	(8,284,107)	(11,443,026)
Cash payments for insurance claims	0	(55,884,418)	(55,884,418)
Net cash from operating activities	<u>\$ (3,005,106)</u>	<u>\$ (1,249,534)</u>	<u>\$ (4,254,640)</u>
Cash flows from noncapital financing activities:			
Grant receipts	\$ 11,129	\$ 3,642	\$ 14,771
Transfers in	3,286,940	0	3,286,940
Transfers out	0	(15,580)	(15,580)
Interfund loans	0	279,781	279,781
Net cash flows from noncapital financing activities	<u>\$ 3,298,069</u>	<u>\$ 267,843</u>	<u>\$ 3,565,912</u>
Cash flows from capital and related financing activities:			
Payments to acquire, construct, or improve capital assets	\$ (246,747)	\$ (2,403)	\$ (249,150)
Proceeds from disposal of capital assets	403	0	403
Net cash flows from capital and related financing activities	<u>\$ (246,344)</u>	<u>\$ (2,403)</u>	<u>\$ (248,747)</u>
Cash flows from investing activities:			
Interest income	\$ 1,825	\$ 768,974	\$ 770,799
Net increase (decrease) in cash and cash equivalents	<u>\$ 48,444</u>	<u>\$ (215,120)</u>	<u>\$ (166,676)</u>
Cash and cash equivalents, October 1, 2017	<u>327,535</u>	<u>64,925,694</u>	<u>65,253,229</u>
Cash and cash equivalents, September 30, 2018	<u><u>\$ 375,979</u></u>	<u><u>\$ 64,710,574</u></u>	<u><u>\$ 65,086,553</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	<u>\$ (3,483,871)</u>	<u>\$ 497,788</u>	<u>\$ (2,986,083)</u>
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation expense	\$ 372,639	\$ 10,782	\$ 383,421
Miscellaneous revenue	27,227	2,443,613	2,470,840
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	7,370	205,686	213,056
(Increase) decrease in due from other funds	0	(1,101,858)	(1,101,858)
(Increase) decrease in due from other governmental units	1,297	18,231	19,528
(Increase) decrease in prepaid items	(98,647)	(717,067)	(815,714)
(Increase) decrease in deferred outflows	43,096	16,179	59,275
Increase (decrease) in vouchers and contracts payable	36,460	(515,457)	(478,997)
Increase (decrease) in claims payable	0	(2,136,277)	(2,136,277)
Increase (decrease) in accrued compensated absences	14,103	1,046	15,149
Increase (decrease) in total OPEB liability	(85,309)	(35,272)	(120,581)
Increase (decrease) in net pension liability	(7,725)	(2,900)	(10,625)
Increase (decrease) in deferred inflows	168,254	65,972	234,226
Total adjustments	<u>\$ 478,765</u>	<u>\$ (1,747,322)</u>	<u>\$ (1,268,557)</u>
Net cash from operating activities	<u><u>\$ (3,005,106)</u></u>	<u><u>\$ (1,249,534)</u></u>	<u><u>\$ (4,254,640)</u></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, 2018

	<i>Board Agency Funds</i>	<i>Sheriff Agency Funds</i>
ASSETS	<u> </u>	<u> </u>
Cash	\$ 612,579	\$ 40,469
Accounts receivable	0	0
Due from other governmental units	0	0
Total assets	<u>\$ 612,579</u>	<u>\$ 40,469</u>
LIABILITIES		
Due to employees, individuals, and others	\$ 100,860	\$ 40,469
Due to other governmental units	3,607	0
Escrow and refundable deposits	508,112	0
Total liabilities	<u>\$ 612,579</u>	<u>\$ 40,469</u>

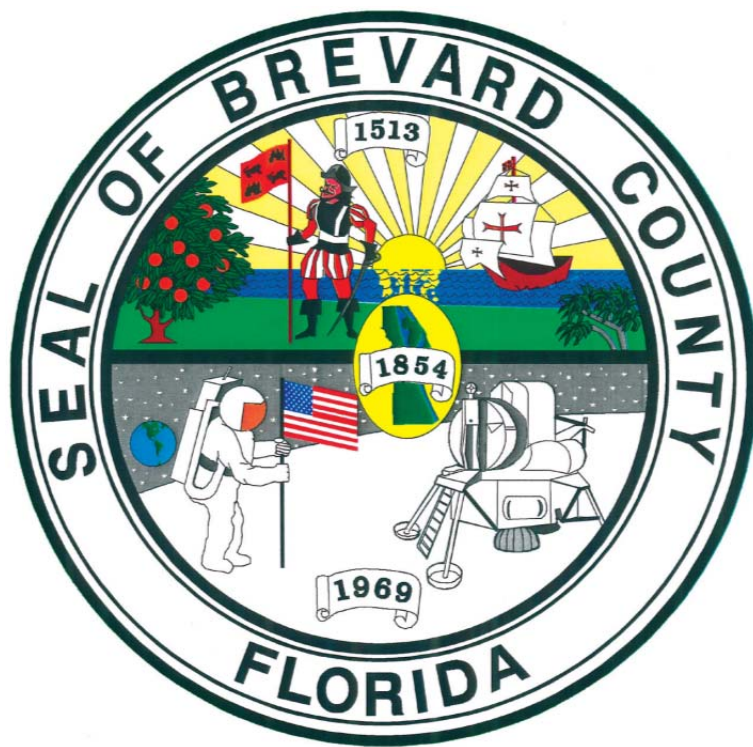
<u>Clerk Agency Funds</u>	<u>Tax Collector Agency Funds</u>	<u>Total</u>
\$ 13,239,992	\$ 10,215,434	\$ 24,108,474
314,112	851,548	1,165,660
<u>0</u>	<u>4,097</u>	<u>4,097</u>
<u>\$ 13,554,104</u>	<u>\$ 11,071,079</u>	<u>\$ 25,278,231</u>
\$ 1,006,254	\$ 9,774,099	\$ 10,921,682
2,873,509	1,296,980	4,174,096
<u>9,674,341</u>	<u>0</u>	<u>10,182,453</u>
<u>\$ 13,554,104</u>	<u>\$ 11,071,079</u>	<u>\$ 25,278,231</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Balance</i> <i>Oct. 1, 2017</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance</i> <i>Sept. 30, 2018</i>
<u>Board Agency Funds</u>				
ASSETS:				
Cash	\$ 614,799	\$ 97,100	\$ 99,320	\$ 612,579
LIABILITIES:				
Due to employees, individuals, and others	\$ 95,383	\$ 7,627	\$ 2,150	\$ 100,860
Due to other governmental units	3,061	7,135	6,589	3,607
Escrow and refundable deposits	516,355	82,338	90,581	508,112
TOTAL LIABILITIES	\$ 614,799	\$ 97,100	\$ 99,320	\$ 612,579
<u>Sheriff Agency Funds</u>				
ASSETS:				
Cash	\$ 26,535	\$ 2,400,631	\$ 2,386,697	\$ 40,469
LIABILITIES:				
Due to employees, individuals, and others	\$ 26,535	\$ 2,762,309	\$ 2,748,375	\$ 40,469
Due to other governmental units	0	40,520	40,520	0
TOTAL LIABILITIES	\$ 26,535	\$ 2,802,829	\$ 2,788,895	\$ 40,469
<u>Clerk Agency Funds</u>				
ASSETS:				
Cash	\$ 13,620,573	\$ 166,666,470	\$ 167,047,051	\$ 13,239,992
Accounts receivable	405,388	9,073,817	9,165,093	314,112
TOTAL ASSETS	\$ 14,025,961	\$ 175,740,287	\$ 176,212,144	\$ 13,554,104
LIABILITIES:				
Due to employees, individuals, and others	\$ 1,038,907	\$ 37,686,376	\$ 37,719,029	\$ 1,006,254
Due to other governmental units	2,722,687	85,719,824	85,569,002	2,873,509
Escrow and refundable deposits	10,264,367	52,334,087	52,924,113	9,674,341
TOTAL LIABILITIES	\$ 14,025,961	\$ 175,740,287	\$ 176,212,144	\$ 13,554,104

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Balance</i> <i>Oct. 1, 2017</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance</i> <i>Sept. 30, 2018</i>
<u>Tax Collector Agency Funds</u>				
ASSETS:				
Cash	\$ 9,396,006	\$ 818,975,147	\$ 818,155,719	\$ 10,215,434
Accounts receivable	744,227	152,594	45,273	851,548
Due from other governmental units	4,934	1,162	1,999	4,097
TOTAL ASSETS	<u>\$ 10,145,167</u>	<u>\$ 819,128,903</u>	<u>\$ 818,202,991</u>	<u>\$ 11,071,079</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 8,694,104	\$ 31,561,155	\$ 30,481,160	\$ 9,774,099
Due to other governmental units	1,451,063	787,567,748	787,721,831	1,296,980
TOTAL LIABILITIES	<u>\$ 10,145,167</u>	<u>\$ 819,128,903</u>	<u>\$ 818,202,991</u>	<u>\$ 11,071,079</u>
<u>TOTAL - ALL FIDUCIARY FUNDS</u>				
ASSETS:				
Cash	\$ 23,657,913	\$ 988,139,348	\$ 987,688,787	\$ 24,108,474
Accounts receivable	1,149,615	9,226,411	9,210,366	1,165,660
Due from other governmental units	4,934	1,162	1,999	4,097
TOTAL ASSETS	<u>\$ 24,812,462</u>	<u>\$ 997,366,921</u>	<u>\$ 996,901,152</u>	<u>\$ 25,278,231</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 9,854,929	\$ 72,017,467	\$ 70,950,714	\$ 10,921,682
Due to other governmental units	4,176,811	873,335,227	873,337,942	4,174,096
Escrow and refundable deposits	10,780,722	52,416,425	53,014,694	10,182,453
TOTAL LIABILITIES	<u>\$ 24,812,462</u>	<u>\$ 997,769,119</u>	<u>\$ 997,303,350</u>	<u>\$ 25,278,231</u>



Component Units

North Brevard County Public Library District - 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 - 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 - 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 - 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, 2018

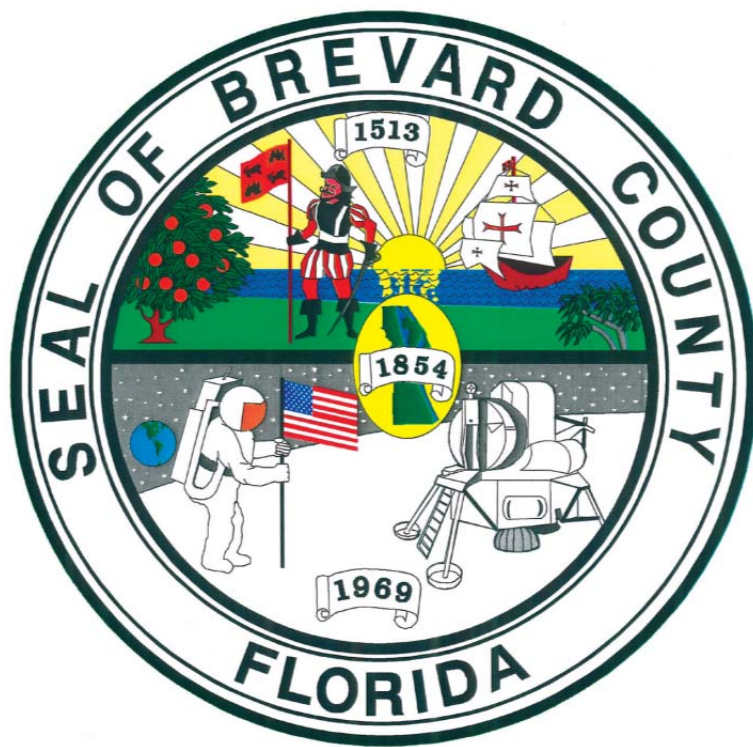
	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 6,550	\$ 2,248,632
Investments	0	0
Receivables:		
Receivables (net of allowance for uncollectibles)	0	0
Due from other governmental units	0	0
Capital assets:		
Land	0	0
Construction in progress	0	0
Buildings and structures	0	0
Improvements to land	0	0
Improvements other than buildings	0	0
Machinery and equipment	0	0
Less accumulated depreciation	0	0
Total assets	<u>\$ 6,550</u>	<u>\$ 2,248,632</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pensions	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES		
Accounts payable	\$ 0	\$ 12,147
Accrued liabilities	0	0
Customer deposits	0	0
Noncurrent liabilities:		
Due within one year:		
Notes payable	0	0
Due in more than one year:		
Total OPEB liability	0	0
Net pension liability	0	0
Notes payable	0	0
Total liabilities	<u>\$ 0</u>	<u>\$ 12,147</u>
DEFERRED INFLOWS OF RESOURCES		
OPEB	\$ 0	\$ 0
Pensions	0	0
Total deferred inflows of resources	<u>\$ 0</u>	<u>\$ 0</u>
NET POSITION		
Net investment in capital assets	\$ 0	\$ 0
Unrestricted	6,550	2,236,485
Total net position	<u>\$ 6,550</u>	<u>\$ 2,236,485</u>

<i>North Brevard Economic Development Zone</i>	<i>Titusville- Cocoa Airport Authority</i>	<i>Housing Finance Authority</i>	<i>Total</i>
\$ 5,401,057 0	\$ 1,899,989 0	\$ 5,035,171 366,792	\$ 14,591,399 366,792
0 0	210,526 568,058	1,988,308 0	2,198,834 568,058
0 0 0 0 0 0 0 0	14,493,599 1,715,267 27,244,834 1,614,241 36,751,532 3,809,603 (28,018,464)	0 0 0 0 0 0 0	14,493,599 1,715,267 27,244,834 1,614,241 36,751,532 3,809,603 (28,018,464)
<u>\$ 5,401,057</u>	<u>\$ 60,289,185</u>	<u>\$ 7,390,271</u>	<u>\$ 75,335,695</u>
<u>\$ 0</u>	<u>\$ 505,922</u>	<u>\$ 0</u>	<u>\$ 505,922</u>
\$ 1,403,644 0 0	\$ 66,538 162,544 231,683	\$ 23,450 301,500 0	\$ 1,505,779 464,044 231,683
0 0 0 0	103,817 51,690 1,170,253 1,518,250	0 0 0 0	103,817 51,690 1,170,253 1,518,250
<u>\$ 1,403,644</u>	<u>\$ 3,304,775</u>	<u>\$ 324,950</u>	<u>\$ 5,045,516</u>
\$ 0 0	\$ 64,976 146,260	\$ 0 0	\$ 64,976 146,260
<u>\$ 0</u>	<u>\$ 211,236</u>	<u>\$ 0</u>	<u>\$ 211,236</u>
\$ 0 3,997,413	\$ 55,988,545 1,290,551	\$ 0 7,065,321	\$ 55,988,545 14,596,320
<u>\$ 3,997,413</u>	<u>\$ 57,279,096</u>	<u>\$ 7,065,321</u>	<u>\$ 70,584,865</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Functions/</i>	
	<i>North</i>	
	<i>Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
	<u> </u>	<u> </u>
Expenses	\$ 175	\$ 278,047
Program revenues:		
Charges for services	\$ 0	\$ 0
Capital grants and contributions	0	0
Total program revenues	<u>\$ 0</u>	<u>\$ 0</u>
Net program revenue (expenses)	<u>\$ (175)</u>	<u>\$ (278,047)</u>
General revenues:		
Taxes:		
Other	\$ 0	\$ 1,124,578
Interest income	0	28,888
Miscellaneous	0	0
Total general revenues	<u>\$ 0</u>	<u>\$ 1,153,466</u>
Changes in net position	<u>\$ (175)</u>	<u>\$ 875,419</u>
Net position - beginning	\$ 6,725	\$ 1,361,066
Cumulative effect of change in accounting principle	0	0
Cumulative effect in prior years of accounting error	0	0
Net position - beginning, restated	<u>\$ 6,725</u>	<u>\$ 1,361,066</u>
Net position - ending	<u>\$ 6,550</u>	<u>\$ 2,236,485</u>

<u>North Brevard Economic Development Zone</u>	<u>Programs Titusville- Cocoa Airport Authority</u>	<u>Housing Finance Authority</u>	<u>Total</u>
\$ 2,115,658	\$ 4,082,139	\$ 298,389	\$ 6,774,408
\$ 12,086	\$ 2,664,048	\$ 570,396	\$ 3,246,530
0	889,615	0	889,615
<u>\$ 12,086</u>	<u>\$ 3,553,663</u>	<u>\$ 570,396</u>	<u>\$ 4,136,145</u>
<u>\$ (2,103,572)</u>	<u>\$ (528,476)</u>	<u>\$ 272,007</u>	<u>\$ (2,638,263)</u>
\$ 2,893,209	\$ 0	\$ 0	\$ 4,017,787
56,768	73	14,127	99,856
118,710	0	0	118,710
<u>\$ 3,068,687</u>	<u>\$ 73</u>	<u>\$ 14,127</u>	<u>\$ 4,236,353</u>
<u>\$ 965,115</u>	<u>\$ (528,403)</u>	<u>\$ 286,134</u>	<u>\$ 1,598,090</u>
\$ 3,032,298	\$ 57,793,971	\$ 7,055,937	\$ 69,249,997
0	13,528	0	13,528
0	0	(276,750)	(276,750)
<u>\$ 3,032,298</u>	<u>\$ 57,807,499</u>	<u>\$ 6,779,187</u>	<u>\$ 68,986,775</u>
<u><u>\$ 3,997,413</u></u>	<u><u>\$ 57,279,096</u></u>	<u><u>\$ 7,065,321</u></u>	<u><u>\$ 70,584,865</u></u>



BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2018

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2018

<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>
PRIMARY GOVERNMENT			
DEPARTMENT OF AGRICULTURE:			
Passed through the Florida Department of Agriculture & Consumer Services Summer Food Service Program	FDACS 022303	10.559	\$ <u>109,928</u>
Passed through the Division of Forestry Volunteer Fire Assistance Grant	Brevard County	10.664	\$ <u>1,505</u>
Total Department of Agriculture			\$ <u>111,433</u>
DEPARTMENT OF COMMERCE:			
Passed through the Florida Department of Environmental Protection Oyster Shell Recycling for Living Shorelines - Brevard County	CM731	11.419	\$ <u>14,400</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			
Community Development Block Grant, Entitlement	B-14-UC-12-0011	14.218	\$ 119,438
Community Development Block Grant, Loan Guarantee, W Canaveral Groves	B-14-UC-12-0011-A	14.218	1,282,941
Community Development Block Grant, Entitlement	B-15-UC-12-0011	14.218	147,701
Community Development Block Grant, Entitlement	B-16-UC-12-0011	14.218	439,251
Community Development Block Grant, Entitlement	B-17-UC-12-0011	14.218	268,878
			<u>\$ 2,258,209</u>
HOME Investment Partnership Program	M13-DC-12-0200	14.239	\$ 7,876
HOME Investment Partnership Program	M14-DC-12-0200	14.239	303,200
HOME Investment Partnership Program	M15-DC-12-0200	14.239	78,907
HOME Investment Partnership Program	M16-DC-12-0200	14.239	94,372
HOME Investment Partnership Program	M17-DC-12-0200	14.239	78,333
			<u>\$ 562,688</u>
Total Department of Housing and Urban Development			<u>\$ 2,820,897</u>
DEPARTMENT OF THE INTERIOR:			
Payments in Lieu of Taxes		15.226	\$ <u>70,881</u>
Passed Through Florida Fish and Wildlife Conservation Commission Brevard County Artificial Reef Construction Project 2017-18	17014	15.605	\$ <u>59,725</u>
National Wildlife Refuge Fund		15.659	\$ <u>200,665</u>
Total Department of the Interior			<u>\$ 331,271</u>
DEPARTMENT OF JUSTICE:			
Passed through the Florida Office of the Attorney General VOCA-2017	00043	16.575	\$ <u>95,290</u>
Passed through the Florida Department of Law Enforcement 2017 Coverdell Forensic Sciences Improvement	2017-CD-BX-0010	16.742	\$ <u>1,819</u>
Total Department of Justice			<u>\$ 97,109</u>
DEPARTMENT OF TRANSPORTATION:			
Federal Aviation Administration Rehab Runway 14/32	3-12-0144-009-2017	20.106	\$ <u>3,473,681</u>

See accompanying notes to this schedule.

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2018

<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>
DEPARTMENT OF TRANSPORTATION (CONT.):			
Federal Highway Administration			
Passed through the Florida Department of Transportation			
St. Johns Heritage Parkway	AQF56	20.205	\$ 4,013,512
St. Johns Heritage Parkway & Ellis 4 Lanes	AR235	20.205	493,232
Valkaria Road Sidewalk	G0F55	20.205	592,109
Brevard Zoo Trail	G0N90	20.205	1,988,341
Countywide Intelligent Transportation System	AQC02-G0111-G0I93-G0Y99	20.205	131,899
Total Federal Highway Administration			<u>\$ 7,219,093</u>
Federal Transit Administration			
FL90-X762-00	FTA G-18	20.507	\$ 168,444
FL90-X791-00	FTA G-18	20.507	105,999
FL90-X878-00	FTA G-21	20.507	997,445
FL90-X890-00	FTA G-21	20.507	1,955,121
FL90-X939-00	FTA G-23	20.507	2,345,467
FL90-X969-00	FTA G-24	20.507	3,166,331
			<u>\$ 8,738,807</u>
FL-34-0008-00	FTA G-21	20.526	\$ 244,485
FL-34-0099-00	FTA G-24	20.526	253,763
Bus and Bus Facilities Formula Program	G0830	20.526	101,670
			<u>\$ 599,918</u>
Total Federal Transit Administration			<u>\$ 9,338,725</u>
Total Department of Transportation			<u>\$ 20,031,499</u>
DEPARTMENT OF THE TREASURY:			
Federal Asset Sharing	FL0050000	21.000	<u>\$ 55,000</u>
GENERAL SERVICES ADMINISTRATION:			
Passed through the Florida Bureau of Federal Property Assistance			
Federal Surplus Property Donation Program		39.003	<u>\$ 549,963</u>
NATIONAL ENDOWMENT FOR THE HUMANITIES:			
Passed through the Florida Humanities Council			
Primetime Affiliate Agreement	CC_PT17_BREVARD_1701	45.129	<u>\$ 2,457</u>
ENVIRONMENTAL PROTECTION AGENCY:			
Passed through the Florida Department of Environmental Protection			
S Patrick Dr Baffle Box Denitrification Bioreactor	LP05111	66.460	<u>\$ 27,755</u>
DEPARTMENT OF ENERGY:			
Passed through the Florida Department of Economic Opportunity			
Weatherization Assistance Program	17WX-0G-06-15-01-004	81.042	<u>\$ 54,559</u>
U. S. ELECTION ASSISTANCE COMMISSION:			
Passed through the Florida Department of State			
Elections Security Grant under the Help America Vote Act	MOA-2018-2019-001	90.401	\$ 218,698
Albert Network Monitoring Solution	MOA-2018-2019-002	90.401	5,112
Federal Election Activities	FY2016-2017 Award	90.401	97,831
Total U.S. Election Assistance Commission			<u>\$ 321,641</u>

See accompanying notes to this schedule.

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2018

<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>
DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Passed through the Florida Department of Revenue			
Child Support Enforcement	COC05	93.563	\$ 354,826
Child Support Enforcement Program State Incentive Allocation Plan	FFY 2016	93.563	7,015
Child Support Enforcement - Services of Process	CSS05	93.563	46,966
			<u>\$ 408,807</u>
Passed through the Florida Department of Economic Opportunity			
Low Income Energy Assistance (LIHEAP)	17EA-0F-06-15-01-003	93.568	\$ 1,434,958
Weatherization Assistance Program	17WX-0G-06-15-01-004	93.568	150,968
			<u>\$ 1,585,926</u>
Community Service Block Grant	17SB-0D-06-15-01-002	93.569	\$ 195,616
Total Department of Health and Human Services			<u>\$ 2,190,349</u>
EXECUTIVE OFFICE OF THE PRESIDENT:			
High Intensity Drug Trafficking Areas Program	HIDTA-G16CF0008A	95.001	\$ 25,494
High Intensity Drug Trafficking Areas Program	HIDTA-G17CF0013A	95.001	45,229
High Intensity Drug Trafficking Areas Program	HIDTA-G18CF0013A	95.001	30,966
Total Executive Office of The President			<u>\$ 101,689</u>
DEPARTMENT OF HOMELAND SECURITY:			
Passed through the Florida Division of Emergency Management			
Hurricane Matthew (4283)	17-PA-U5-06-15-02-007	97.036	\$ 3,179,040
Hurricane Matthew (4283)	17-PA-U5-06-15-15-054	97.036	105,134
Hurricane Irma (4337)	17-PA-00-06-15-02-003	97.036	11,801,635
			<u>\$ 15,085,809</u>
Brevard County - Above Hardening	18-HM-06-15-01-H0021	97.039	\$ 114,150
Emergency Management Preparedness and Assistance Grant (SLA)	19-FG-AF-06-15-01-168	97.042	\$ 29,135
Emergency Management Preparedness and Assistance Grant (SLA)	18-FG-7A-06-15-01-243	97.042	124,137
			<u>\$ 153,272</u>
FY 2015 Assistance to Firefighters	EMW-2015-FP-00102	97.044	\$ 5,846
FY 2016 Assistance to Firefighters	EMW-2016-FO-01209	97.044	585,198
			<u>\$ 591,044</u>
FY 2017 SHSGP - Issue 20	18-DS-X1-06-15-01-249	97.067	\$ 19,500
FY 2017 Homeland Security Grant Program Issues 9 & 15	18-DS-X1-06-15-02-164	97.067	189,522
			<u>\$ 209,022</u>
TSA National Explosives Detection Canine Team Program (NEDCTP)	HSTS02-15-H-NCP463	97.072	\$ 307,208
Total Department of Homeland Security			<u>\$ 16,460,505</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - PRIMARY GOVERNMENT			<u><u>\$ 43,170,527</u></u>
COMPONENT UNITS - TITUSVILLE-COCOA AIRPORT AUTHORITY			
DEPARTMENT OF TRANSPORTATION:			
Federal Aviation Administration			
RSA Construction	31200130192014	20.106	\$ 278,580
REILS Replacement	31200800272017	20.106	250,694
Airfield Lighting	31200800282018	20.106	168,867
Total Department of Transportation			<u>\$ 698,141</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY			<u><u>\$ 43,868,668</u></u>

See accompanying notes to this schedule.

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2018

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CSFA Number</i>	<i>State Expenditures</i>
PRIMARY GOVERNMENT			
EXECUTIVE OFFICE OF THE GOVERNOR:			
Division of Emergency Management			
Emergency Management Preparedness and Assistance Grant (EMPA)	18-BG-W9-06-15-01-258	31.063	\$ 79,133
Emergency Management Preparedness and Assistance Grant (EMPA)	19-BG-21-06-15-01-204	31.063	19,124
			<u>\$ 98,257</u>
EOC Retrofit	18SR-A7-06-15-01-285	31.068	<u>\$ 1,169,709</u>
Total Executive Office of the Governor			<u>\$ 1,267,966</u>
DEPARTMENT OF ENVIRONMENTAL PROTECTION:			
Brevard County Shore Protection Project (Mid-Reach)	15BE3	37.003	\$ 30,463
Brevard County Shore Protection (Mid-Reach)	16BE1	37.003	130,657
Brevard County Shore Protection (North & South Reaches)	16BE2	37.003	37,810
Brevard County Shore Protection Project (North & South Reaches)	15BE4	37.003	21,851
			<u>\$ 220,781</u>
Brevard County Muck Dredging	S0714	37.039	\$ 2,667,198
Source Reduction and Legacy Muck Load Remediation in the IRL	S0766	37.039	153,786
Statewide Surface Water Restoration and Wastewater Projects	S0861	37.039	229,786
Fountainhead Advanced Denitrification System	LP05115	37.039	2,251
Johnson Jr. High School Pond Retrofits -Discharge Regulation	S0916	37.039	28,527
Brevard County Muck Dredging Phase II	NS005	37.039	721,080
Groundwater Pollution: Engaging the Community in Solutions	LP05112	37.039	553,944
Brevard County Sewer Inflow and Infiltration Reduction	S0862	37.039	152,258
			<u>\$ 4,508,830</u>
Clean Water State Revolving Fund	WW051100	37.077	<u>\$ 18,123,604</u>
Total Department of Environmental Protection			<u>\$ 22,853,215</u>
FLORIDA HOUSING FINANCE CORPORATION:			
State Housing Initiative Program Trust Fund	Resolution 2015-047	40.901	<u>\$ 998,690</u>
DEPARTMENT OF STATE:			
Division of Library and Information Services			
State Aid to Libraries	18-ST-01	45.030	<u>\$ 471,535</u>
DEPARTMENT OF TRANSPORTATION:			
Commission for the Transportation Disadvantaged			
Transportation Disadvantage Trip/Equipment Grant	G0M26	55.001	\$ 1,150,533
Transportation Disadvantage Trip/Equipment Grant	G0X11	55.001	164,708
			<u>\$ 1,315,241</u>
Transportation Disadvantaged Planning	G0N17	55.002	<u>\$ 10,428</u>
Total Commission for the Transportation Disadvantaged			<u>\$ 1,325,669</u>
Airport Office	G0087	55.004	\$ 1,327,400
Hangar F	G0R46	55.004	685,381
			<u>\$ 2,012,781</u>
Eau Gallie/Wickham Road Intersection Improvements	ARE77	55.008	<u>\$ 14,595</u>
DOT Block Grant	G0U56	55.010	<u>\$ 1,568,183</u>

See accompanying notes to this schedule.

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2018

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CSFA Number</i>	<i>State Expenditures</i>
DEPARTMENT OF TRANSPORTATION (CONT.):			
Transit Corridor Bus Service SR 520	AOE59	55.013	\$ 397,065
Fixed Route Bus Service SR A1A	AOE60	55.013	397,065
			<u>\$ 794,130</u>
Pineda Causeway Overpass	AQJ65	55.021	\$ 2,013,537
Total Department of Transportation			<u>\$ 7,728,895</u>
DEPARTMENT OF HEALTH:			
Emergency Medical Services County Trust	C6005	64.005	\$ 48,157
DEPARTMENT OF LAW ENFORCEMENT:			
Assistance with Investigative Operations-ESST	E0218	71.010	\$ 1,931
DEPARTMENT OF HIGHWAY SAFETY & MOTOR VEHICLES:			
Sea Turtle Grant Program - Coastal Low Income Schools	18-028E	76.070	\$ 1,286
Sea Turtle Grant Program - Coastal Low Income Schools	17-031E	76.070	12,736
Total Department of Highway Safety & Motor Vehicles			<u>\$ 14,022</u>
FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION:			
POW/MIA Park Dock Replacement	FWC-16052	77.006	\$ 88,356
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - PRIMARY GOVERNMENT			<u><u>\$ 33,472,767</u></u>
COMPONENT UNITS - TITUSVILLE-COCOA AIRPORT AUTHORITY			
DEPARTMENT OF TRANSPORTATION:			
RSA Construction	ARS42	55.004	\$ 9,501
Airfield Lighting	ASA51	55.004	9,382
COI North Area Security and Infrastructure	G0205	55.004	17,575
REILS Replacement	AS558	55.004	13,928
Port O Port Replacement	G0N49	55.004	141,088
Total Department of Transportation			<u>\$ 191,474</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - REPORTING ENTITY			<u><u>\$ 33,664,241</u></u>

See accompanying notes to this schedule.

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2018

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 the financial statements. The County did not elect to utilize the 10% de minimis indirect cost rate.

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 the financial statements.

3) **Transfers to Subrecipients:**

During the year ended September 30, 2018, the following amounts were provided to subrecipients from each Federal Program and State Project.

Name of Federal Program:	<u>CFDA</u>		<u>Amount Transferred</u>
CDBG - Entitlement	14.218	\$	185,628
HOME	14.239	\$	497,222
Valkaria Sidewalk Project	20.205	\$	547,252
Name of Federal Program:	<u>CSFA</u>		
Emergency Medical Services	64.005	\$	48,157

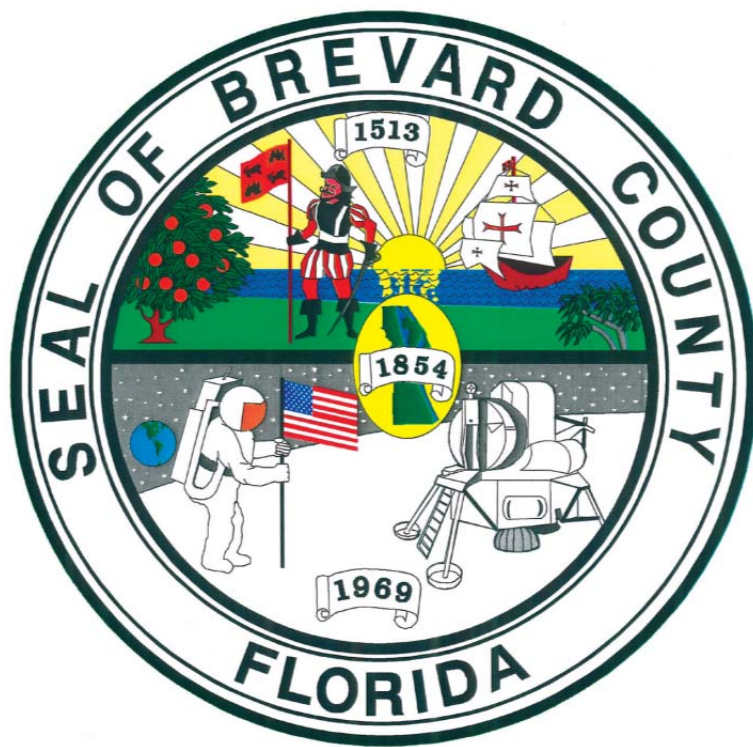
4) **Non-cash Awards:**

During the year ended September 30, 2018, the County received the following non-cash donations from the General Services Administration (passed through the Florida Bureau of Federal Property Assistance).

<u>CFDA</u>		<u>Amount Worth</u>
39.003	\$	549,963

5) **Identification of Federal Clusters:**

DEPARTMENT OF TRANSPORTATION:	<i>Grant or Contract Number</i>	<u>CFDA</u>		<u>Federal Expenditure</u>
FL90-X762-00	FTA G-18	20.507	\$	168,444
FL90-X791-00	FTA G-18	20.507		105,999
FL90-X878-00	FTA G-21	20.507		997,445
FL90-X890-00	FTA G-21	20.507		1,955,121
FL90-X939-00	FTA G-23	20.507		2,345,467
FL90-X969-00	FTA G-24	20.507		3,166,331
FL-34-0008-00	FTA G-21	20.526		244,485
FL-34-0099-00	FTA G-24	20.526		253,763
Bus and Bus Facilities Formula Program	G0830	20.526		101,670
			\$	<u>9,338,725</u>



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

SEPTEMBER 30, 2018

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 Program and on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550 Rules of the Auditor General



Schedule of Findings and Questioned Costs-
Major Federal Programs and State Projects



Management Letter



Independent Accountant's Report on Investment and Emergency Communications Number E911 System Fund 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, 2018, and the related notes to the financial statements, which collectively comprise the Brevard County, Florida's basic financial statements and have issued our report thereon dated March 27, 2019. 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 the 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE 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 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, 2018. 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 \$698,141 in federal awards and \$191,474 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, 2018. 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 the OMB Uniform Guidance, *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 federal and state statutes, regulations, and the terms and conditions of its federal and state awards 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; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and Chapter 10.550, Rules of the Auditor General, State of Florida ("Chapter 10.550").

Those standards and the Uniform Guidance 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, 2018.

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 the Uniform Guidance 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 material weaknesses. However, material weaknesses may exist that have not been identified.

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

March 27, 2019
Melbourne, Florida

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

BREVARD COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - MAJOR
FEDERAL PROGRAMS AND STATE PROJECTS

YEAR ENDED SEPTEMBER 30, 2018

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 2 CFR 200.516(a) are included in this schedule? | No |
| 4. Dollar threshold used to distinguish between type A and type B Programs: | \$1,295,113 |
| 5. Auditee qualified as a low-risk auditee? | Yes |

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Program</u>
20.106	DOT Federal Aviation Administration
93.568	DOHHS LIHEAP and Weatherization Assistance
97.036	Florida Division of Emergency Management
97.044	DOHS FEMA Assistance to Fire Fighters

BREVARD COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - MAJOR
FEDERAL PROGRAMS AND STATE PROJECTS

YEAR ENDED SEPTEMBER 30, 2018

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 10.554? | No |
| 4. Dollar threshold used to distinguish between type A and type B Projects: | \$1,004,183 |

Identification of major state projects:

<u>CSFA Number</u>	<u>Name of Project</u>
37.077	DEP Clean Water SRF South Central WWTP Expansion
31.068	EOG EOC Retrofit
43.030	DOS State Aid to Libraries

BREVARD COUNTY, FLORIDA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - MAJOR
FEDERAL PROGRAMS AND STATE PROJECTS**

YEAR ENDED SEPTEMBER 30, 2018

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.

SECTION V - SUMMARY OF PRIOR YEAR AUDIT FINDINGS

None.

MANAGEMENT LETTER

Board of County Commissioners
Brevard County, Florida

Report on the Financial Statements

We have audited the financial statements of Brevard County, Florida (“Brevard County”), as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated March 27, 2019.

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; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and 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; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 27, 2019, 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. There were no findings and associated recommendations made in the preceding financial audit report.

Official Title and Legal Authority

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

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Brevard County 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 did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide 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 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

March 27, 2019
Melbourne, Florida

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INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT AND EMERGENCY COMMUNICATIONS NUMBER E911 SYSTEM FUND COMPLIANCE

To the Board of County Commissioners
Brevard County, Florida

We have examined Brevard County, Florida's ("Brevard County") compliance with Sections 218.415, 365.172 and 365.173 Florida Statutes, regarding the investment of public funds and emergency communications number E911 system fund during the year ended September 30, 2018. Management is responsible for Brevard County's compliance with the specified requirements. Our responsibility is to express an opinion on Brevard County's compliance with the specified requirements based on our examination.

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

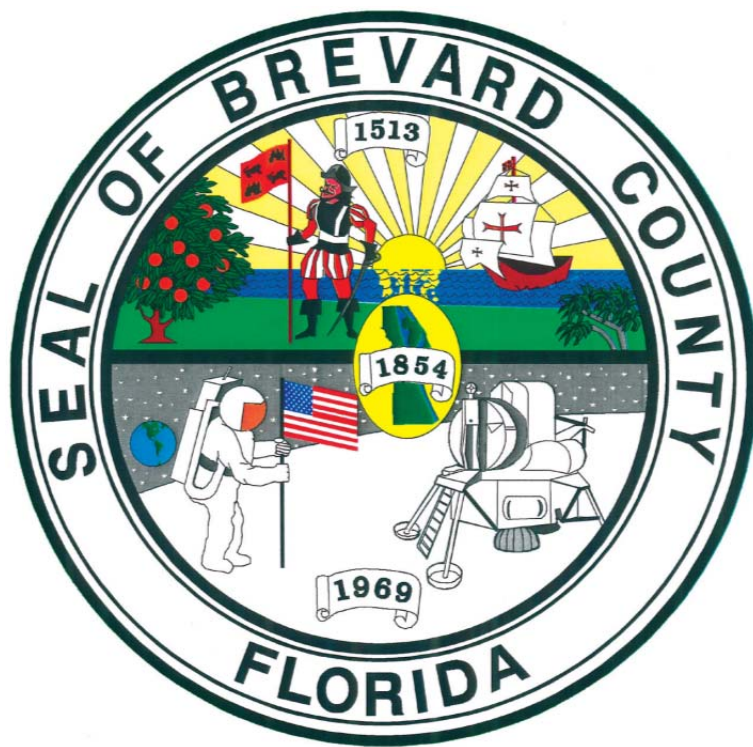
Our examination does not provide a legal determination on Brevard County's compliance with the specified requirements.

In our opinion, Brevard County complied, in all material respects, with the aforementioned compliance requirements for the year ended September 30, 2018.

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.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP



SHERIFF

BREVARD COUNTY SHERIFF
 ANNUAL FINANCIAL REPORT
 SEPTEMBER 30, 2018
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INDEPENDENT AUDITOR'S REPORT

The Honorable Wayne Ivey
Brevard County Sheriff
Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Sheriff, Florida (the "Sheriff") as of and for the year ended September 30, 2018, 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.

Emphasis of Matter

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, 2018, 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, 2018, 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 Sheriff as of September 30, 2018 and the respective changes in financial position and the respective budgetary comparison for the General, Special Law Enforcement District, and Inmate Welfare Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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 March 27, 2019, 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.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP



BREVARD COUNTY

SHERIFF

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2018



BREVARD COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<u>General</u>	<u>Special Law Enforcement District</u>
ASSETS		
Cash	\$ 5,373,824	\$ 2,298,874
Accounts receivable	235,410	8,699
Due from other funds	137,469	147,479
Due from constitutional officers	41,983	123,072
Due from other governmental units	308,132	385,882
Inventory of supplies	1,132,847	0
Prepaid items	3,030	0
Total assets	<u>\$ 7,232,695</u>	<u>\$ 2,964,006</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 1,301,489	\$ 21,992
Accrued wages and benefits payable	1,545,240	322,684
Due to other funds	182,863	0
Due to constitutional officers	2,723,550	2,619,330
Due to other governmental units	136,228	0
Unearned revenue	207,448	0
Total liabilities	<u>\$ 6,096,818</u>	<u>\$ 2,964,006</u>
Fund balances:		
Non-spendable:		
Inventory	\$ 1,132,847	\$ 0
Prepaid items	3,030	0
Restricted:		
Other purposes	0	0
Total fund balances	<u>\$ 1,135,877</u>	<u>\$ 0</u>
Total liabilities and fund balances	<u>\$ 7,232,695</u>	<u>\$ 2,964,006</u>

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

<u>Inmate Welfare</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 2,389,162	\$ 848,553	\$ 10,910,413
133,976	0	378,085
33,833	40,518	359,299
0	0	165,055
0	0	694,014
0	0	1,132,847
0	0	3,030
<u>\$ 2,556,971</u>	<u>\$ 889,071</u>	<u>\$ 13,642,743</u>
\$ 28,184	\$ 10,586	\$ 1,362,251
0	0	1,867,924
0	137,604	320,467
0	163,722	5,506,602
0	0	136,228
0	159,440	366,888
<u>\$ 28,184</u>	<u>\$ 471,352</u>	<u>\$ 9,560,360</u>
\$ 0	\$ 0	\$ 1,132,847
0	0	3,030
<u>2,528,787</u>	<u>417,719</u>	<u>2,946,506</u>
<u>\$ 2,528,787</u>	<u>\$ 417,719</u>	<u>\$ 4,082,383</u>
<u>\$ 2,556,971</u>	<u>\$ 889,071</u>	<u>\$ 13,642,743</u>

BREVARD COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>General</i>	<i>Special Law Enforcement District</i>
REVENUES		
Intergovernmental revenues	\$ 946,688	\$ 1,084,720
Charges for services	9,157,898	815,511
Fines and forfeits	0	0
Miscellaneous revenues	1,997,357	62,411
Total revenues	\$ 12,101,943	\$ 1,962,642
EXPENDITURES		
Public safety	\$ 103,738,467	\$ 17,197,065
Capital outlay	2,383,233	762,876
Debt service:		
Principal	271,764	0
Interest	19,405	0
Total expenditures	\$ 106,412,869	\$ 17,959,941
Excess (deficiency) of revenues over (under) expenditures	\$ (94,310,926)	\$ (15,997,299)
OTHER FINANCING SOURCES AND (USES)		
Transfers from constitutional officers	\$ 94,036,746	\$ 19,220,272
Transfers to constitutional officers	(572,696)	(3,232,095)
Capital related debt issued	782,679	0
Proceeds of the sale of capital assets	64,197	9,122
Total other financing sources and (uses)	\$ 94,310,926	\$ 15,997,299
Net change in fund balances	\$ 0	\$ 0
Fund balances - beginning	1,006,567	0
Increase in non-spendable	129,310	0
Fund balances - ending	\$ 1,135,877	\$ 0

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

<u>Inmate Welfare</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 0	\$ 0	\$ 2,031,408
44	0	9,973,453
0	149,922	149,922
1,151,139	1,082	3,211,989
<u>\$ 1,151,183</u>	<u>\$ 151,004</u>	<u>\$ 15,366,772</u>
\$ 571,657	\$ 328,808	\$ 121,835,997
0	55,000	3,201,109
0	0	271,764
0	0	19,405
<u>\$ 571,657</u>	<u>\$ 383,808</u>	<u>\$ 125,328,275</u>
<u>\$ 579,526</u>	<u>\$ (232,804)</u>	<u>\$ (109,961,503)</u>
\$ 0	\$ 465,370	\$ 113,722,388
0	(136,939)	(3,941,730)
0	0	782,679
0	0	73,319
<u>\$ 0</u>	<u>\$ 328,431</u>	<u>\$ 110,636,656</u>
\$ 579,526	\$ 95,627	\$ 675,153
1,949,261	322,092	3,277,920
0	0	129,310
<u>\$ 2,528,787</u>	<u>\$ 417,719</u>	<u>\$ 4,082,383</u>

BREVARD COUNTY SHERIFF
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental revenues	\$ 489,506	\$ 916,724	\$ 946,688	\$ 29,964
Charges for services	9,126,091	9,177,437	9,157,898	(19,539)
Miscellaneous revenues	1,526,784	1,779,436	1,997,357	217,921
Total revenues	<u>\$ 11,142,381</u>	<u>\$ 11,873,597</u>	<u>\$ 12,101,943</u>	<u>\$ 228,346</u>
EXPENDITURES				
Public safety	\$ 103,410,573	\$ 103,723,468	\$ 103,738,467	\$ (14,999)
Capital outlay	1,024,832	2,335,244	2,383,233	(47,989)
Debt service:				
Principal	219,702	219,702	271,764	(52,062)
Interest	0	0	19,405	(19,405)
Total expenditures	<u>\$ 104,655,107</u>	<u>\$ 106,278,414</u>	<u>\$ 106,412,869</u>	<u>\$ (134,455)</u>
Deficiency of revenues under expenditures	<u>\$ (93,512,726)</u>	<u>\$ (94,404,817)</u>	<u>\$ (94,310,926)</u>	<u>\$ 93,891</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers	\$ 94,036,746	\$ 94,036,746	\$ 94,036,746	\$ 0
Transfers to constitutional officers	(554,020)	(554,020)	(572,696)	(18,676)
Capital related debt issued	0	892,091	782,679	(109,412)
Proceeds of the sale of capital assets	30,000	30,000	64,197	34,197
Total other financing sources and (uses)	<u>\$ 93,512,726</u>	<u>\$ 94,404,817</u>	<u>\$ 94,310,926</u>	<u>\$ (93,891)</u>
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	1,006,567	1,006,567	1,006,567	0
Increase in non-spendable	0	0	129,310	129,310
Fund balances - ending	<u>\$ 1,006,567</u>	<u>\$ 1,006,567</u>	<u>\$ 1,135,877</u>	<u>\$ 129,310</u>

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

BREVARD COUNTY SHERIFF
SPECIAL LAW ENFORCEMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 0	\$ 1,125,735	\$ 1,084,720	\$ (41,015)
Charges for services	195,000	830,511	815,511	(15,000)
Miscellaneous revenues	5,000	23,973	62,411	38,438
Total revenues	<u>\$ 200,000</u>	<u>\$ 1,980,219</u>	<u>\$ 1,962,642</u>	<u>\$ (17,577)</u>
EXPENDITURES				
Public safety	\$ 17,556,460	\$ 18,261,971	\$ 17,197,065	\$ 1,064,906
Capital outlay	978,241	2,382,727	762,876	1,619,851
Total expenditures	<u>\$ 18,534,701</u>	<u>\$ 20,644,698</u>	<u>\$ 17,959,941</u>	<u>\$ 2,684,757</u>
Deficiency of revenues under expenditures	<u>\$ (18,334,701)</u>	<u>\$ (18,664,479)</u>	<u>\$ (15,997,299)</u>	<u>\$ 2,667,180</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers	\$ 18,957,729	\$ 19,287,507	\$ 19,220,272	\$ (67,235)
Transfers to constitutional officers	(628,028)	(628,028)	(3,232,095)	(2,604,067)
Proceeds of the sale of capital assets	5,000	5,000	9,122	4,122
Total other financing sources and (uses)	<u>\$ 18,334,701</u>	<u>\$ 18,664,479</u>	<u>\$ 15,997,299</u>	<u>\$ (2,667,180)</u>
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

BREVARD COUNTY SHERIFF
INMATE WELFARE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 0	\$ 0	\$ 44	\$ 44
Miscellaneous revenues	<u>650,000</u>	<u>650,000</u>	<u>1,151,139</u>	<u>501,139</u>
Total revenues	<u>\$ 650,000</u>	<u>\$ 650,000</u>	<u>\$ 1,151,183</u>	<u>\$ 501,183</u>
EXPENDITURES				
Public safety	<u>\$ 650,000</u>	<u>\$ 650,000</u>	<u>\$ 571,657</u>	<u>\$ 78,343</u>
Excess of revenues over expenditures	\$ 0	\$ 0	\$ 579,526	\$ 579,526
Fund balances - beginning	<u>1,949,261</u>	<u>1,949,261</u>	<u>1,949,261</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 1,949,261</u></u>	<u><u>\$ 1,949,261</u></u>	<u><u>\$ 2,528,787</u></u>	<u><u>\$ 579,526</u></u>

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, 2018

	<i>Agency Funds</i>
ASSETS	
Cash	<u>\$ 99,585</u>
LIABILITIES	
Vouchers and contracts payable	\$ 343
Due to individuals and others	40,469
Due to other funds	38,833
Due to other governmental units	<u>19,940</u>
Total liabilities	<u>\$ 99,585</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, 2018

1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days (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, 2018, the Sheriff has \$1,135,877 of a non-spendable fund balance which represents \$1,132,847 of inventories and \$3,030 of prepaid items.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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, 2018 the Sheriff has \$2,946,506 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** – Includes 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 within 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.

This fund is also used to account for the operation of law enforcement services provided to the City of Cape Canaveral and to the Canaveral Port Authority, Port Canaveral, Florida. Charges for these services and all cost incurred in providing these services 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 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, 2018

C. Budget

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

D. Interfund Receivables and Payables

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

E. Capital Assets

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

F. Inventory and Prepaid Items

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

G. Investments

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

H. Accrued Compensated Absences

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

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 \$11,009,998, and deposits with financial institutions were \$11,384,489. 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.	\$11,384,489
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Included in the total cash amount is \$29,615 which represents cash on hand.

3. Leases and Other Commitments

The Sheriff is obligated under operating lease agreements for building facilities expiring between July 2019 and December 2030. The total cost for these leases was \$109,181 for the year ended September 30, 2018. The future minimum lease payments are as follows:

Year Ended September 30	<u>Amount</u>
2019	\$ 97,136
2020	15,827
2021	16,302
2022	16,791
2023	17,295
2024-2028	94,574
2029-2031	47,357
Total minimum lease payable	<u>\$ 305,282</u>

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

The Sheriff is obligated under several operating lease agreements for office copiers expiring between October 2018 and January 2023. Total cost for the leases was \$233,225 for the year ended September 30, 2018. The future minimum lease payments are as follows:

Year Ended September 30	<u>Amount</u>
2019	\$ 131,706
2020	88,352
2021	45,982
2022	17,662
2023	<u>2,363</u>
Total minimum lease payable	<u>\$ 286,065</u>

The Sheriff is obligated under several operating lease agreements for Dell computers expiring between April 2020 and December 2021. Total cost for the leases was \$389,162 for the year ended September 30, 2018. The future minimum lease payments are as follows:

Year Ended <u>September 30</u>	<u>Amount</u>
2019	\$ 399,345
2020	399,345
2021	329,226
2022	<u>149,791</u>
Total minimum lease payable	<u>\$ 1,277,707</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 \$264,651 for the year ended September 30, 2018. The future minimum lease payments are as follows:

Year Ended September 30	<u>Amount</u>
2019	\$ 264,647
2020	264,504
2021	264,222
2022	263,801
2023	268,241
2024-2028	1,330,855
2029-2032	<u>1,011,690</u>
Total minimum lease payable	<u>\$ 3,667,960</u>

The Sheriff is obligated to fulfill their prior commitment to the Board of County Commissioners and make payments from May 2018 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.

The Board of County Commissioners authorized borrowing additional 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 12 years from October 2017 to October 2029, with an annual payment of \$279,615.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

The minimum commitments payable are as follows:

Year Ended September 30	<u>Amount</u>
2019	\$ 279,615
2020	279,615
2021	279,615
2022	279,615
2023	279,615
2024-2028	1,398,075
2029-2030	<u>555,751</u>
Total minimum lease payable	<u>\$ 3,351,901</u>

4. Risk Management

Refer to Note 22 in the County-wide Financial Statements.

5. Deferred Compensation

Refer to Note 23 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 26 in the County-wide Financial Statements.

8. Other Postemployment Benefits

Refer to Note 27 in the County-wide Financial Statements.

9. Comparison of Expenditures to Appropriations

General Fund expenditures exceeded appropriations by \$134,455. Federal Forfeiture Treasury Fund expenditures exceeded appropriations by \$55,000.

10. Subsequent Event

The Sheriff has evaluated subsequent events through March 27, 2019, the date which the financial statements were issued.

BREVARD COUNTY

SHERIFF

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

SEPTEMBER 30, 2018





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.

BREVARD COUNTY SHERIFF
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

		<i>Special Revenue</i>	
	<i>Contraband</i>	<i>Special Law Enforcement Training Fund Second Dollar</i>	<i>Special Law Enforcement Training \$2.50 Fund</i>
ASSETS			
Cash	\$ 162,584	\$ 40,430	\$ 91,258
Due from other funds	34,602	0	5,916
Total assets	\$ 197,186	\$ 40,430	\$ 97,174
LIABILITIES AND FUND BALANCES			
LIABILITIES AND FUND BALANCES			
Liabilities:			
Vouchers and contracts payable	\$ 10,586	\$ 0	\$ 0
Due to other funds	\$ 0	\$ 40,430	\$ 97,174
Due to constitutional officers	27,160	0	0
Unearned revenue	159,440	0	0
Total liabilities	\$ 197,186	\$ 40,430	\$ 97,174
Fund balances:			
Restricted:			
Other purposes	\$ 0	\$ 0	\$ 0
Total fund balances	\$ 0	\$ 0	\$ 0
Total liabilities, deferred inflows of resources,			
Total liabilities and fund balances	\$ 197,186	\$ 40,430	\$ 97,174

<i>Special Revenue</i>			
<i>Federal Forfeiture Department of Justice</i>	<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>Total</i>
\$ 417,286	\$ 433	\$ 136,562	\$ 848,553
0	0	0	40,518
<u>\$ 417,286</u>	<u>\$ 433</u>	<u>\$ 136,562</u>	<u>\$ 889,071</u>
\$ 0	\$ 0	\$ 0	\$ 10,586
\$ 0	\$ 0	\$ 0	\$ 137,604
0	0	136,562	163,722
0	0	0	159,440
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 136,562</u>	<u>\$ 471,352</u>
<u>\$ 417,286</u>	<u>\$ 433</u>	<u>\$ 0</u>	<u>\$ 417,719</u>
<u>\$ 417,286</u>	<u>\$ 433</u>	<u>\$ 0</u>	<u>\$ 417,719</u>
<u><u>\$ 417,286</u></u>	<u><u>\$ 433</u></u>	<u><u>\$ 136,562</u></u>	<u><u>\$ 889,071</u></u>

BREVARD COUNTY SHERIFF
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Contraband</i>	<i>Special Revenue</i>	<i>Special Law Enforcement Training Fund Second Dollar</i>	<i>Special Law Enforcement Training \$2.50 Fund</i>
REVENUES				
Fines and forfeits	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous revenues	377	0	0	0
Total revenues	\$ 377	\$ 0	\$ 0	\$ 0
EXPENDITURES				
Public safety	\$ 195,000	\$ 40,430	\$ 91,258	\$ 91,258
Capital outlay	0	0	0	0
Total expenditures	\$ 195,000	\$ 40,430	\$ 91,258	\$ 91,258
Excess (deficiency) of revenues over (under) expenditures	\$ (194,623)	\$ (40,430)	\$ (91,258)	\$ (91,258)
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers	\$ 195,000	\$ 40,430	\$ 91,258	\$ 91,258
Transfers to constitutional officers	(377)	0	0	0
Total other financing sources and (uses)	\$ 194,623	\$ 40,430	\$ 91,258	\$ 91,258
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - ending	\$ 0	\$ 0	\$ 0	\$ 0

<i>Special Revenue</i>			
<i>Federal Forfeiture Department of Justice</i>	<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>Total</i>
\$ 149,770	\$ 152	\$ 0	\$ 149,922
625	80	0	1,082
<u>\$ 150,395</u>	<u>\$ 232</u>	<u>\$ 0</u>	<u>\$ 151,004</u>
\$ 0	\$ 0	\$ 2,120	\$ 328,808
0	55,000	0	55,000
<u>\$ 0</u>	<u>\$ 55,000</u>	<u>\$ 2,120</u>	<u>\$ 383,808</u>
\$ 150,395	\$ (54,768)	\$ (2,120)	\$ (232,804)
\$ 0	\$ 0	\$ 138,682	\$ 465,370
0	0	(136,562)	(136,939)
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,120</u>	<u>\$ 328,431</u>
\$ 150,395	\$ (54,768)	\$ 0	\$ 95,627
\$ 266,891	\$ 55,201	\$ 0	\$ 322,092
<u>\$ 417,286</u>	<u>\$ 433</u>	<u>\$ 0</u>	<u>\$ 417,719</u>

BREVARD COUNTY SHERIFF
CONTRABAND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 377	\$ 377
EXPENDITURES			
Public safety	\$ 195,000	\$ 195,000	\$ 0
Deficiency of revenues under expenditures	\$ (195,000)	\$ (194,623)	\$ 377
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 195,000	\$ 195,000	\$ 0
Transfers to constitutional officers	0	(377)	(377)
Total other financing sources and (uses)	\$ 195,000	\$ 194,623	\$ (377)
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 FUND SECOND DOLLAR
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 40,430	\$ 40,430	\$ 0
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 40,430	\$ 40,430	\$ 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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
EXPENDITURES			
Public safety	\$ 103,310	\$ 91,258	\$ 12,052
OTHER FINANCING SOURCES			
Transfers from constitutional officers	\$ 103,310	\$ 91,258	\$ (12,052)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Fines and forfeits	\$ 0	\$ 149,770	\$ 149,770
Miscellaneous revenues	0	625	625
Total revenues	\$ 0	\$ 150,395	\$ 150,395
Fund balances - beginning	266,891	266,891	0
Fund balances - ending	\$ 266,891	\$ 417,286	\$ 150,395

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, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Fines and forfeits	\$ 0	\$ 152	\$ 152
Miscellaneous revenues	0	80	80
Total revenues	<u>\$ 0</u>	<u>\$ 232</u>	<u>\$ 232</u>
EXPENDITURES			
Public safety	\$ 0	\$ 0	\$ 0
Capital outlay	0	55,000	(55,000)
Total expenditures	<u>\$ 0</u>	<u>\$ 55,000</u>	<u>\$ (55,000)</u>
Deficiency of revenues under expenditures	\$ 0	\$ (54,768)	\$ (54,768)
Fund balances - beginning	55,201	55,201	0
Fund balances - ending	<u><u>\$ 55,201</u></u>	<u><u>\$ 433</u></u>	<u><u>\$ (54,768)</u></u>

BREVARD COUNTY SHERIFF
CRIME PREVENTION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 185,739	\$ 2,120	\$ 183,619
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 185,739	\$ 138,682	\$ (47,057)
Transfers to constitutional officers	0	(136,562)	(136,562)
Total other financing sources and (uses)	\$ 185,739	\$ 2,120	\$ (183,619)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0



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



INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

SEPTEMBER 30, 2018

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
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, Florida (the "Sheriff"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated March 27, 2019.

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 the 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 Sheriff'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 Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & Latham
CPAs and Associates, LLP

MANAGEMENT LETTER

Honorable Wayne Ivey
Brevard County Sheriff
Brevard County, Florida

Report on the Financial Statements

We have audited the financial statements of the Brevard County Sheriff, Florida (the "Sheriff"), as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated March 27, 2019.

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 Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2019, 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 findings and associated 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 was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Sheriff.

Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management.

During fiscal year 2018, we noted instances of actual expenditures exceeding final budgeted appropriations. We recommend that the Sheriff amend their budget as known unbudgeted expenditures are identified.

Florida Statute 932.7055(5)(c)(3) states that if \$15,000 or more is received by the Sheriff's Office in state forfeitures no less than 25% must be spent on support or operation of any drug treatment, drug abuse education, drug prevention, crime prevention, safe neighborhood, or school resource officer program(s). The Sheriff complies with this statute by donating 25% of amounts awarded to the Sheriff from the prior fiscal year. Donations made by the Sheriff in fiscal year 2018 were 95% of the required amount. We recommend that an internal control procedure be implemented to ensure that the required amount is donated.

Additional Matters

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

Purpose of this Letter

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

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

Honorable Wayne Ivey
Brevard County Sheriff
Brevard County, Florida

We have examined the Brevard County Sheriff, Florida's (the "Sheriff") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2018. Management of the Sheriff is responsible for the Sheriff's compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

In our opinion, the Sheriff complied, in all material respects, with Section 218.415, Florida Statutes, during the year ended September 30, 2018.

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

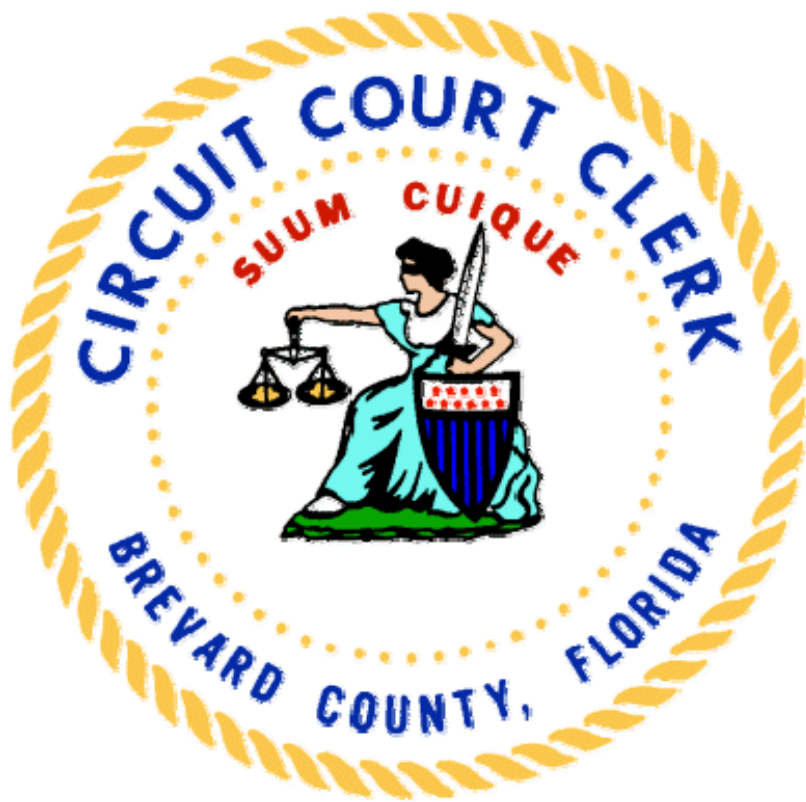
March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

CLERK
OF THE
CIRCUIT
COURT

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
 ANNUAL FINANCIAL REPORT
 SEPTEMBER 30, 2018
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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 each major fund and the aggregate remaining fund information of the Brevard County Clerk of the Circuit Court, Florida (the "Clerk") as of and for the year ended September 30, 2018, 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.

Emphasis of Matter

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, 2018, 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, 2018, 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, 2018, and the respective changes in financial position and the respective budgetary comparison for the General, Records Modernization Trust, and Court Related Technology Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2019, 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.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

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

SEPTEMBER 30, 2018



BREVARD COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<u>General</u>	<u>Records Modernization Trust</u>
ASSETS		
Cash	\$ 1,757,316	\$ 570,278
Due from constitutional officers	5,892	0
Due from other governmental units	246,018	0
Prepaid items	567,220	0
Total assets	<u>\$ 2,576,446</u>	<u>\$ 570,278</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 152,135	\$ 0
Accrued wages and benefits payable	1,030,960	0
Due to other governmental units	1,393,351	0
Total liabilities	<u>\$ 2,576,446</u>	<u>\$ 0</u>
Fund balances:		
Restricted:		
Other purposes	\$ 0	\$ 570,278
Total fund balances	<u>\$ 0</u>	<u>\$ 570,278</u>
Total liabilities and fund balances	<u>\$ 2,576,446</u>	<u>\$ 570,278</u>

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

<u>Court Related Technology</u>	<u>Total</u>
\$ 617,638	\$ 2,945,232
0	5,892
0	246,018
10,800	578,020
<u>\$ 628,438</u>	<u>\$ 3,775,162</u>
\$ 41,927	\$ 194,062
14,958	1,045,918
0	1,393,351
<u>\$ 56,885</u>	<u>\$ 2,633,331</u>
<u>\$ 571,553</u>	<u>\$ 1,141,831</u>
<u>\$ 571,553</u>	<u>\$ 1,141,831</u>
<u><u>\$ 628,438</u></u>	<u><u>\$ 3,775,162</u></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, 2018

	<u>General</u>	<u>Records Modernization Trust</u>
REVENUES		
Intergovernmental revenues	\$ 2,422,600	\$ 0
Charges for services	12,863,753	405,024
Miscellaneous revenues	203,500	51
Total revenues	<u>\$ 15,489,853</u>	<u>\$ 405,075</u>
EXPENDITURES		
Current:		
General government	<u>\$ 17,724,853</u>	<u>\$ 414,409</u>
Deficiency of revenues under expenditures	<u>\$ (2,235,000)</u>	<u>\$ (9,334)</u>
OTHER FINANCING SOURCES		
Transfers from constitutional officers	<u>\$ 2,235,000</u>	<u>\$ 0</u>
Net change in fund balances	\$ 0	\$ (9,334)
Fund balances - beginning	0	579,612
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 570,278</u></u>

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

<u>Court Related Technology</u>	<u>Total</u>
\$ 0	\$ 2,422,600
1,159,996	14,428,773
854	204,405
\$ 1,160,850	\$ 17,055,778
\$ 1,208,945	\$ 19,348,207
\$ (48,095)	\$ (2,292,429)
\$ 0	\$ 2,235,000
\$ (48,095)	\$ (57,429)
619,648	1,199,260
\$ 571,553	\$ 1,141,831

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, 2018

	<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	\$ 3,070,000	\$ 3,070,000	\$ 2,422,600	\$ (647,400)
Charges for services	11,705,000	12,233,000	12,863,753	630,753
Miscellaneous revenues	200,000	200,000	203,500	3,500
Total revenues	<u>\$ 14,975,000</u>	<u>\$ 15,503,000</u>	<u>\$ 15,489,853</u>	<u>\$ (13,147)</u>
EXPENDITURES				
Current:				
General government	<u>\$ 17,195,000</u>	<u>17,738,000</u>	<u>\$ 17,724,853</u>	<u>\$ 13,147</u>
Deficiency of revenues under expenditures	<u>\$ (2,220,000)</u>	<u>\$ (2,235,000)</u>	<u>\$ (2,235,000)</u>	<u>\$ 0</u>
OTHER FINANCING SOURCES				
Transfers from constitutional officers	<u>\$ 2,220,000</u>	<u>\$ 2,235,000</u>	<u>\$ 2,235,000</u>	<u>\$ 0</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

BREVARD COUNTY 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, 2018

	<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	\$ 300,000	\$ 300,000	\$ 405,024	\$ 105,024
Miscellaneous revenues	0	0	51	51
Total revenues	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 405,075</u>	<u>\$ 105,075</u>
EXPENDITURES				
General government	\$ 300,000	\$ 415,000	\$ 414,409	\$ 591
Net change in fund balances	\$ 0	\$ (115,000)	\$ (9,334)	\$ 105,666
Fund balances - beginning	579,612	579,612	579,612	0
Fund balances - ending	<u>\$ 579,612</u>	<u>\$ 464,612</u>	<u>\$ 570,278</u>	<u>\$ 105,666</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, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 1,025,000	\$ 1,025,000	\$ 1,159,996	\$ 134,996
Miscellaneous revenues	0	0	854	854
Total revenues	<u>\$ 1,025,000</u>	<u>\$ 1,025,000</u>	<u>\$ 1,160,850</u>	<u>\$ 135,850</u>
EXPENDITURES				
General government	\$ 1,025,000	\$ 1,210,000	\$ 1,208,945	\$ 1,055
Net change in fund balances	\$ 0	\$ (185,000)	\$ (48,095)	\$ 136,905
Fund balances - beginning	619,648	619,648	619,648	0
Fund balances - ending	<u>\$ 619,648</u>	<u>\$ 434,648</u>	<u>\$ 571,553</u>	<u>\$ 136,905</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, 2018

	<u>Agency Funds</u>
ASSETS	
Cash and equivalents	\$ 13,349,137
Investments in SBA	53,410
Other receivables	314,112
Total assets	<u>\$ 13,716,659</u>
LIABILITIES	
Due to individuals and others	\$ 1,006,254
Due to other governmental units	3,036,064
Escrow and refundable deposits	9,674,341
Total liabilities	<u>\$ 13,716,659</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, 2018

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, 2018

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, 2018, the Clerk has a restricted fund balance of \$1,141,831 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** – Includes 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 within 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.

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 pursuant to Florida Statutes.

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
 NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2018

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.

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.

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 \$16,294,369, and deposits with financial institutions were \$17,555,454. 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.	\$17,555,454
--	--------------

The Clerk has a Petty Cash Fund of \$12,464, which is included in the total cash amount.

On September 30, 2018, the Clerk had \$53,410 invested in State Board of Administration's Florida Prime.

3. Leases

The Clerk is obligated under noncancelable operating leases for office equipment through September 2020. Total cost for the year ended September 30, 2018, was \$90,310.

The future minimum lease payment is as follows:

Year Ended	<u>Amount</u>
<u>September 30</u>	
2019	\$ 90,310
2020	<u>49,666</u>
Total minimum lease payable	<u>\$139,976</u>

4. Risk Management

Refer to Note 22 in the County-wide Financial Statements.

5. Deferred Compensation

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

6. Retirement

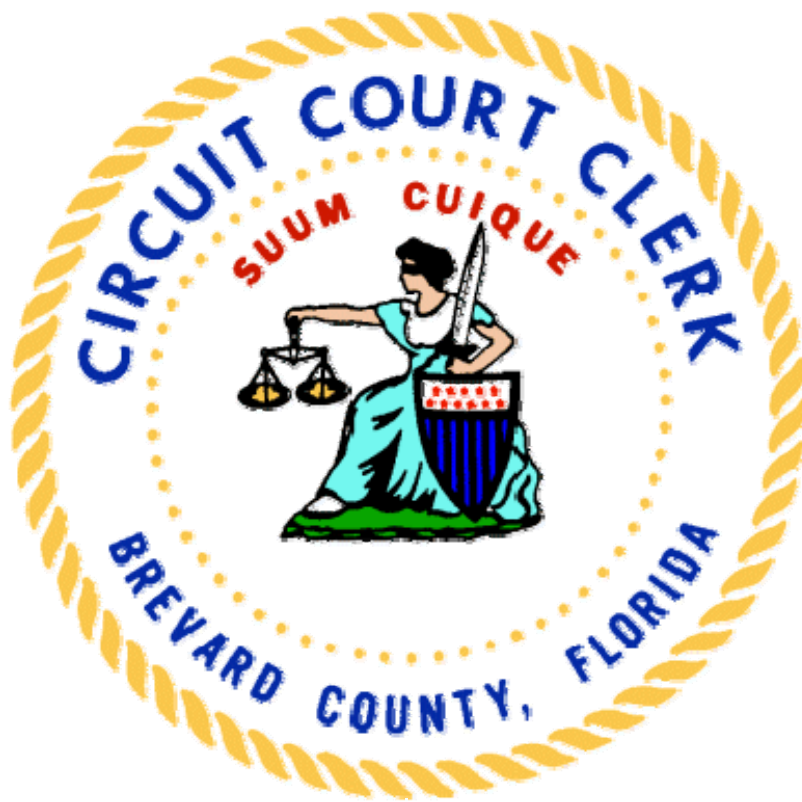
Refer to Note 26 in the County-wide Financial Statements.

7. Other Postemployment Benefits

Refer to Note 27 in the County-wide Financial Statements.

8. Subsequent Event

The Brevard County Clerk of the Circuit Court has evaluated subsequent events through March 27, 2019, the date which the financial statements were available for issuance.



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



**INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT AND
PERFORMANCE STANDARDS AND BUDGETS COMPLIANCE**



**INDEPENDENT ACCOUNTANT'S REPORT ON ALIMONY
AND CHILD SUPPORT PAYMENTS**

SEPTEMBER 30, 2018

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 the Brevard County Clerk of the Circuit Court, Florida (the "Clerk"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements and have issued our report thereon dated March 27, 2019.

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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and 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 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*.

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 Clerk'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 Clerk's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the Brevard County Clerk of the Circuit Court (the "Clerk"), Florida, as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated March 27, 2019.

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 Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2019, 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 findings and associated 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 Clerk of the Circuit Court'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 Clerk.

Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. During our testing of Florida Statutes 28.35 and 28.36 which are related to the Clerk's Performance Standards and Budgets, we noted one instance of source documentation not agreeing to the workload performance data reported to the Florida Clerks of Court Operations Corporation (the "Corporation"). We recommend that an internal control procedure be implemented to ensure that source documentation agrees to workload performance data that is submitted to the Corporation.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not 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 the Clerk, and is not intended to be and should not be used by anyone other than these specified parties.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENTS AND PERFORMANCE STANDARDS AND BUDGETS 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, Florida's (the "Clerk") compliance with Section 218.415, 28.35 and 28.36, Florida Statutes, regarding the investment of public funds, court performance standards and budgets during the year ended September 30, 2018. Management of the Clerk is responsible for the Clerk's compliance with the specified requirements. Our responsibility is to express an opinion on the Clerk's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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

March 27, 2019
Melbourne, Florida

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INDEPENDENT ACCOUNTANT'S REPORT ON ALIMONY AND CHILD SUPPORT PAYMENTS

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, Florida's (the "Clerk") compliance with Section 61.181, Florida Statutes, regarding alimony and child support payments during the years ended September 30, 2018, 2017, and 2016. Management of the Clerk is responsible for the Clerk's compliance with the specified requirements. Our responsibility is to express an opinion on the Clerk's compliance with the specified requirements based on our examination.

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

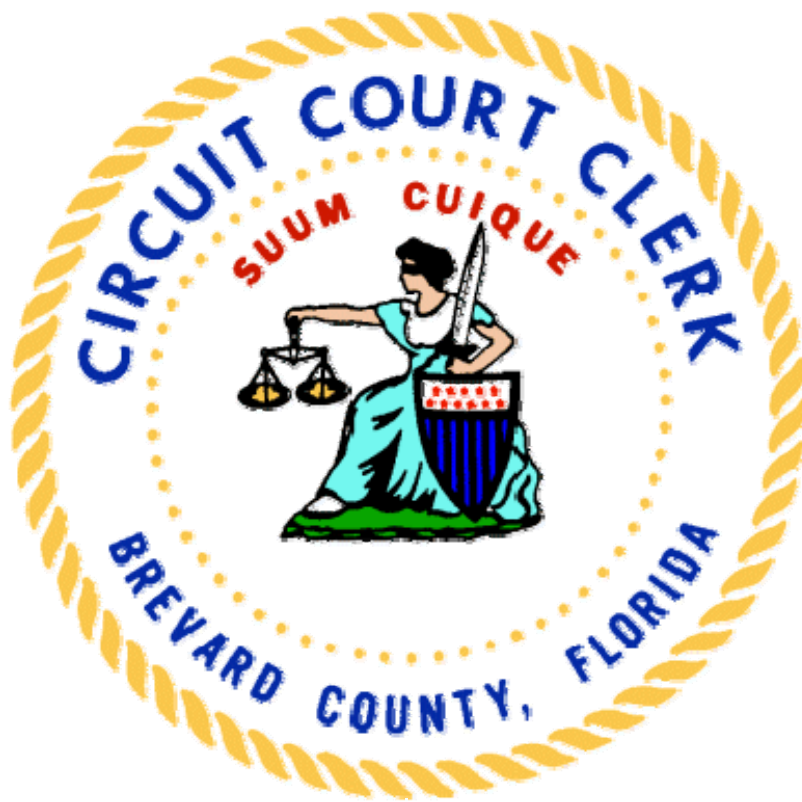
Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the years ended September 30, 2018, 2017, and 2016.

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

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP



**TAX
COLLECTOR**

BREVARD COUNTY TAX COLLECTOR

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2018

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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 Brevard County Tax Collector, Florida (the "Tax Collector"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Tax Collector's special-purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Tax Collector'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 Tax Collector'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.

Emphasis of Matter

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, 2018, 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, 2018, 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. Our opinion is not modified with respect to this matter.

Opinions

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, 2018 and the respective changes in financial position, and, where applicable, respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2019, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY
TAX COLLECTOR
FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2018



BREVARD COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<i>General</i>
ASSETS	
Cash	\$ 5,460,006
Accounts receivable	3,348
Due from other governmental units	6,948
Total assets	\$ 5,470,302
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Vouchers and contracts payable	\$ 113,365
Accrued wages and benefits payable	146,127
Due to constitutional officers	5,130,867
Due to other governmental units	79,943
Total liabilities	\$ 5,470,302
Fund balance	\$ 0
Total liabilities and fund balance	\$ 5,470,302

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, 2018

	<i>General</i>
REVENUES	
Charges for services	\$ 17,627,399
Miscellaneous revenues	185,298
Total revenues	\$ 17,812,697
EXPENDITURES	
General government	\$ 12,648,402
Excess of revenues over expenditures	\$ 5,164,295
OTHER FINANCING USES	
Transfers to constitutional officers and other governmental units	\$ (5,164,295)
Net change in fund balance	\$ 0
Fund balance- beginning	0
Fund balance - ending	\$ 0

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, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 17,357,500	\$ 17,626,900	\$ 17,627,399	\$ 499
Miscellaneous revenues	145,600	186,800	185,298	(1,502)
Total revenues	<u>\$ 17,503,100</u>	<u>\$ 17,813,700</u>	<u>\$ 17,812,697</u>	<u>\$ (1,003)</u>
EXPENDITURES				
General government	<u>\$ 12,977,201</u>	<u>\$ 13,185,909</u>	<u>\$ 12,648,402</u>	<u>\$ 537,507</u>
Excess of revenues over expenditures	<u>\$ 4,525,899</u>	<u>\$ 4,627,791</u>	<u>\$ 5,164,295</u>	<u>\$ 536,504</u>
OTHER FINANCING USES				
Transfers to constitutional officers and other governmental units	<u>\$ (4,525,899)</u>	<u>\$ (4,627,791)</u>	<u>\$ (5,164,295)</u>	<u>\$ (536,504)</u>
Net change in fund balance	\$ 0	\$ 0	\$ 0	\$ 0
Fund balance - beginning	0	0	0	0
Fund balance - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

BREVARD COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2018

	<u>Agency Funds</u>
ASSETS	
Cash and equivalents	\$ 11,717,746
Other receivables	851,548
Due from other governmental units	4,097
Total assets	<u>\$ 12,573,391</u>
LIABILITIES	
Due to individuals and others	\$ 790,343
Due to other governmental units	2,799,292
Prepaid taxes	8,983,756
Total liabilities	<u>\$ 12,573,391</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, 2018

1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days (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, 2018

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 – Includes 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 within 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.

D. Capital Assets

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

E. Investments

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

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

F. Accrued Compensated Absences

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

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 \$17,177,752. The deposits with financial institutions were \$7,307,306. 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.	\$7,307,306
--	-------------

Included in the total cash amount is Petty Cash/Change Funds of \$26,000, and a money market account of \$1,813,699, which represents both book and market value.

The Tax Collector was also invested in the following Local Government Investment Pools:

Florida Cooperative Liquid Assets Securities System (FLCLASS)	\$7,945,630
State Board of Administration Florida Prime	\$ 7
Florida Surplus Asset Fund Trust (FLSAFE)	\$ 2

3. Leases

The Tax Collector is obligated under two noncancelable operating leases for office equipment through June 2024. Total cost for the year ended September 30, 2018, was \$48,829.

The future minimum lease payment is as follows:

Year Ended <u>September 30</u>	<u>Amount</u>
2019	\$ 40,810
2020	41,114
2021	16,132
2022	16,132
2023	16,132
2024	<u>4,033</u>
Total minimum lease payable	<u>\$134,353</u>

The Tax Collector leases two office facilities under noncancelable operating leases. Total costs for the leases were \$281,945 for the year ended September 30, 2018. The future minimum lease payments are as follows:

Year Ended <u>September 30</u>	<u>Amount</u>
2019	\$ 242,014
2020	247,595
2021	253,393
2022	175,207
2023	<u>118,347</u>
Total minimum lease payable	<u>\$1,036,556</u>

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

4. Risk Management

Refer to Note 22 in the County-wide Financial Statements.

5. Deferred Compensation

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

6. Retirement

Refer to Note 26 in the County-wide Financial Statements.

7. Other Postemployment Benefits

Refer to Note 27 in the County-wide Financial Statements.

8. Subsequent Event

The Brevard County Tax Collector has evaluated subsequent events through March 27, 2019, the date which the financial statements were issued.



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



INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

SEPTEMBER 30, 2018

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 Brevard County Tax Collector, Florida (the "Tax Collector"), as of and for the year ended September 30, 2018, 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 March 27, 2019.

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 the Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 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.

March 27, 2019
Melbourne, Florida

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, 2018, and have issued our report thereon dated March 27, 2019.

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 Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2019, 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 findings and associated 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.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not 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 the Tax Collector and is not intended to be and should not be used by anyone other than these specified parties.

March 27, 2019
Melbourne, Florida

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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, Florida's (the "Tax Collector") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Tax Collector's compliance with the specified requirements. Our responsibility is to express an opinion on the Tax Collector's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**PROPERTY
APPRAISER**

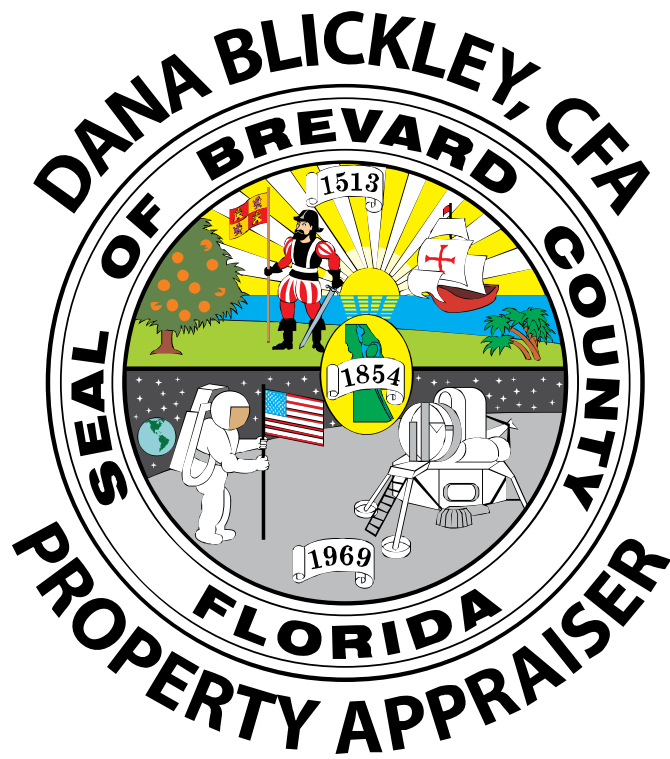
BREVARD COUNTY PROPERTY APPRAISER

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2018

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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 Brevard County Property Appraiser, Florida (the "Property Appraiser"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, 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 an opinion on these special-purpose financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 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 Property Appraiser'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 Property Appraiser'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.

Emphasis of Matter

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, 2018, 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, 2018, 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. Our opinion is not modified with respect to this matter.

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, 2018 and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2019, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**BREVARD COUNTY
PROPERTY APPRAISER**

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2018



BREVARD COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<i>General</i>
ASSETS	
Cash	\$ 560,647
Prepaid expenses	70,672
Total assets	\$ 631,319
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 126,833
Due to constitutional officers	275,247
Due to other governmental units	5,663
Unearned revenue	223,576
Total liabilities	\$ 631,319
Fund balance	\$ 0
Total liabilities and fund balance	\$ 631,319

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, 2018

	<i>General</i>
REVENUES	
Charges for services	\$ 553,514
EXPENDITURES	
General government	\$ 8,865,900
Deficiency of revenues under expenditures	\$ (8,312,386)
OTHER FINANCING SOURCES AND (USES)	
Transfers from constitutional officers and other governmental units	\$ 8,593,296
Transfers to constitutional officers and other governmental units	(280,910)
Total other financing sources and (uses)	\$ 8,312,386
Net change in fund balance	\$ 0
Fund balance - beginning	0
Fund balance - ending	\$ 0

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, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 180,100	\$ 176,804	\$ 553,514	\$ 376,710
EXPENDITURES				
General government	\$ 8,821,235	\$ 8,770,100	\$ 8,865,900	\$ (95,800)
Deficiency of revenues under expenditures	\$ (8,641,135)	\$ (8,593,296)	\$ (8,312,386)	\$ 280,910
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers and other governmental units	\$ 8,641,135	\$ 8,593,296	\$ 8,593,296	\$ 0
Transfers to constitutional officers and other governmental units	0	0	(280,910)	(280,910)
Total other financing sources and (uses)	\$ 8,641,135	\$ 8,593,296	\$ 8,312,386	\$ (280,910)
Net change in fund balance	\$ 0	\$ 0	\$ 0	\$ 0
Fund balance - beginning	0	0	0	0
Fund balance - ending	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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, 2018

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 – Includes 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 within 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.

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.

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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 \$223,576.

I. Use of Estimates

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

2. Comparison of Expenditures to Appropriations

The Property Appraiser's Original and Amended Budget include only those funds budgeted under the statutory budget process administered by the Florida Department of Revenue (FDOR). The FDOR approved budget typically comprises 95 percent to 98 percent of the office's total actual annual expenditures.

The Property Appraiser derives additional expenses and reimbursements from map and data sales to the public and from administering non-ad valorem assessment programs on behalf of eligible taxing authorities under Section 197.3632(2), Florida Statutes. During the fiscal year, the actual recognized revenue for said services totaled \$376,709 and is included in charges for services and expenditures.

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 \$560,647, and deposits with financial institutions were \$560,522. 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.	\$560,522
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4. 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 current vendor contract was initiated in fiscal year 2014 for a six year period, with the first scheduled flight and payment in fiscal year 2015. These outstanding services are valued at approximately \$381,289 for the contract period.

The Property Appraiser's office contracts for the maintenance of its licensed Computer Assisted Mass Appraisal (CAMA) system with the software licensor. The current vendor contract was initiated in fiscal year 2013, and amended in fiscal year 2015, fiscal year 2016, and fiscal year 2018. As amended, payments under the maintenance agreement initiated in 2016 and extended through fiscal year 2018. The Property Appraiser has options to extend the agreement for five additional one-year terms. There are no remaining payments under the base contract period. Any future payments are indexed using CPI-U (no less than 2%, no greater than 5%) on the base \$157,009 annual maintenance payment.

5. Leases

The Property Appraiser is obligated under operating lease agreements for office equipment through fiscal year 2020 and for vehicles through fiscal year 2021. Copiers are leased under a single consolidated lease for a five year term that began in June 2015. The postage equipment lease was effective October 1, 2015 for a five year period. Vehicle operating lease agreements were initiated effective March 7, 2016 and November 30, 2016 and January 8, 2018 with 36-month terms. Total cost for the lease agreements was \$83,913 for the year ended September 30, 2018.

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2019	\$ 80,381
2020	41,786
2021	<u>5,443</u>
Total minimum lease payable	<u>\$127,610</u>

6. Risk Management

Refer to Note 22 in the County-wide Financial Statements.

7. Deferred Compensation

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

8. Retirement

Refer to Note 26 in the County-wide Financial Statements.

9. Other Postemployment Benefits

Refer to Note 27 in the County-wide Financial Statements.

10. Subsequent Event

The Property Appraiser has evaluated subsequent events through March 27, 2019, the date which the financial statements were available for issuance. On November 9, 2018, the office initiated a new 36-month lease effective March 1, 2019 for 4 vehicles for a 36-month term, replacing 4 vehicles leased in 2016. No additional material events occurred that would require additional disclosure in the financial statements.

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



INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

SEPTEMBER 30, 2018

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 Brevard County Property Appraiser, Florida (the "Property Appraiser"), as of and for the year ended September 30, 2018, 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 March 27, 2019.

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. 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.

March 27, 2019
Melbourne, Florida

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 Brevard County Property Appraiser, Florida (the "Property Appraiser"), as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated March 27, 2019.

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 Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2019, 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 findings and associated 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 Property Appraiser was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Property Appraiser.

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

March 27, 2019
Melbourne, Florida

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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, Florida's (the "Property Appraiser") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Property Appraiser's compliance with the specified requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**SUPERVISOR
OF
ELECTIONS**

BREVARD COUNTY SUPERVISOR OF ELECTIONS

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2018

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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, Florida (the "Supervisor") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Supervisor'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 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 special-purpose 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 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, 2018, 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, 2018, 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, 2018, and the respective changes in financial position and respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2019, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Supervisor's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor's internal control over financial reporting and compliance.

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY
SUPERVISOR OF ELECTIONS

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2018



BREVARD COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<i>General</i>
ASSETS	
Cash	\$ 1,260,079
Prepaid expenses	403,131
Total assets	\$ 1,663,210
LIABILITIES AND FUND BALANCES	
Liabilities:	
Vouchers and contracts payable	\$ 129,190
Accrued wages and benefits payable	35,581
Other current liabilities	8,616
Due to other governmental units	828,583
Unearned revenue	258,109
Total liabilities	\$ 1,260,079
Fund balance:	
Non-spendable:	
Prepaid items	\$ 403,131
Total liabilities and fund balances	\$ 1,663,210

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, 2018

	<i>General</i>
REVENUES	
Intergovernmental revenues	\$ 321,641
Charges for services	65,785
Capital contribution	22,800
Miscellaneous revenues	3,905
Total revenues	\$ 414,131
EXPENDITURES	
Current:	
General government	\$ 4,508,031
Deficiency of revenues under expenditures	\$ (4,093,900)
OTHER FINANCING SOURCES	
Transfers from constitutional officers	\$ 3,997,475
Net change in fund balance	\$ (96,425)
Fund balance - beginning	473,074
Increase in non-spendable	26,482
Fund balance - ending	\$ 403,131

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, 2018

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental revenues	\$ 102,981	\$ 326,790	\$ 321,641	\$ (5,149)
Charges for services	83,469	83,469	65,785	(17,684)
Capital contribution	0	0	22,800	22,800
Miscellaneous revenues	500	500	3,905	3,405
Total revenues	<u>\$ 186,950</u>	<u>\$ 410,759</u>	<u>\$ 414,131</u>	<u>\$ 3,372</u>
EXPENDITURES				
Current:				
General government	\$ 5,100,084	\$ 5,323,893	\$ 4,508,031	\$ 815,862
Deficiency of revenues under expenditures	<u>\$ (4,913,134)</u>	<u>\$ (4,913,134)</u>	<u>\$ (4,093,900)</u>	<u>\$ 819,234</u>
OTHER FINANCING SOURCES				
Transfers from constitutional officers	\$ 4,922,483	\$ 4,922,483	\$ 3,997,475	\$ (925,008)
Net change in fund balance	\$ 9,349	\$ 9,349	\$ (96,425)	\$ (105,774)
Fund balance - beginning	473,074	473,074	473,074	0
Increase in non-spendable	0	0	26,482	26,482
Fund balance - ending	<u>\$ 482,423</u>	<u>\$ 482,423</u>	<u>\$ 403,131</u>	<u>\$ (79,292)</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, 2018

1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days (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, 2018 the Supervisor of Elections has \$403,131 of a non-spendable fund balance which represents prepaid items.

BREVARD COUNTY SUPERVISOR OF ELECTIONS
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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 – Includes 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 within 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.

E. Prepaid Items

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

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.

H. Use of Estimates

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

BREVARD COUNTY SUPERVISOR OF ELECTIONS
 NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2018

2. Cash and Investments

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

The total cash amount for the Supervisor of Elections was \$1,260,079, and deposits with financial institutions were \$1,259,929. The bank balance categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes.	\$1,259,929
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3. Leases

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 2018. The CAP distributed costs for Facilities building services and building maintenance based on fiscal year 2015 actual results. The total cost for the year ended September 30, 2018 was \$12,130.

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 \$7,384 and \$9,864 respectively, for the year ended September 30, 2018. The future minimum lease payments for noncancelable operating leases are as follows:

<u>September 30</u>	<u>Amount</u>
2019	\$ 9,864
2020	9,864
2021	<u>4,932</u>
Total minimum lease payable	<u>\$ 24,660</u>

4. Risk Management

Refer to Note 22 in the County-wide Financial Statements.

5. Deferred Compensation

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

6. Retirement

Refer to Note 26 in the County-wide Financial Statements.

7. Other Postemployment Benefits

Refer to Note 27 in the County-wide Financial Statements.

8. Subsequent Event

The Brevard County Supervisor of Elections has evaluated subsequent events through March 27, 2019, the date which the financial statements were available for issuance.



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



INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

SEPTEMBER 30, 2018

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 Brevard County Supervisor of Elections, Florida (the "Supervisor"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Supervisor's basic financial statements, and have issued our report thereon dated March 27, 2019.

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 opinions 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 Supervisor'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 Supervisor's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

March 27, 2019
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 Brevard County Supervisor of Elections, Florida (the "Supervisor"), as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated March 27, 2019.

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 Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2019, 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 findings and associated 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 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.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not 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 the Supervisor and is not intended to be and should not be used by anyone other than these specified parties.

March 27, 2019
Melbourne, Florida

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INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

To the Honorable Lori Scott
Brevard County Supervisor of Elections
Brevard County, Florida

We have examined the Brevard County Supervisor of Election's, Florida (the "Supervisor") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Supervisor's compliance with the specified requirements. Our responsibility is to express an opinion on the Supervisor's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Supervisor complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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

March 27, 2019
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

