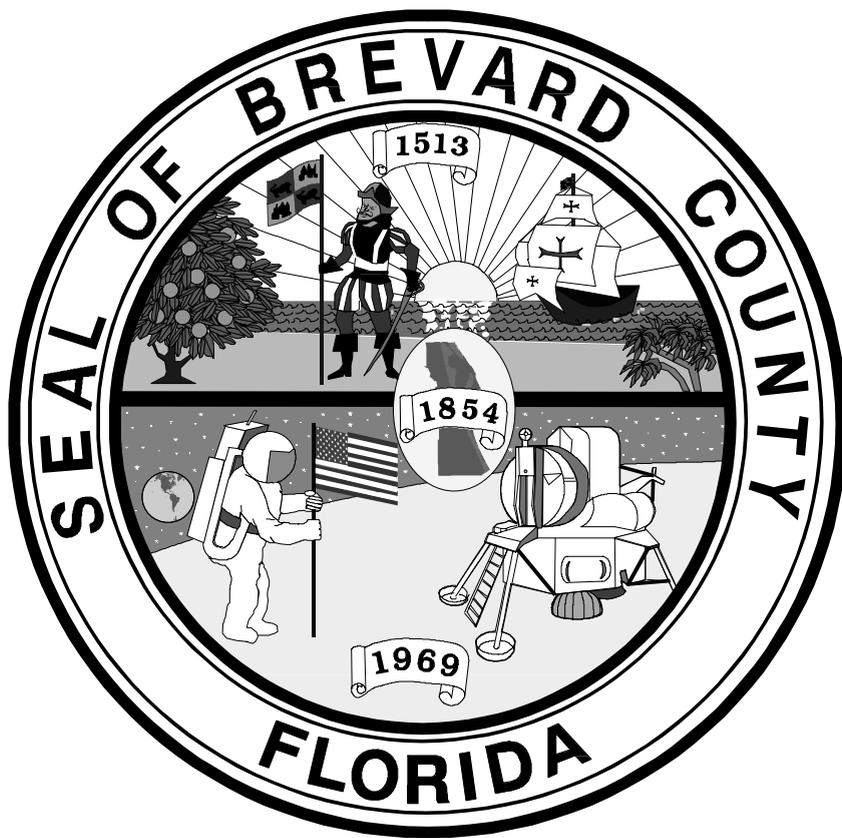


ANNUAL FINANCIAL AUDITS



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

Brevard County, Florida
For the Year Ended September 30, 2013



**BREVARD
COUNTY**

BREVARD COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED SEPTEMBER 30, 2013

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INDEPENDENT AUDITORS' 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, 2013, and the related notes to the financial statements, which collectively comprise the Brevard County, Florida's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 represent 96 percent, 97 percent and 90 percent, of the assets, net position, and revenues of the aggregate discretely presented component units of Brevard County, Florida. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the aggregate discretely presented component units is based on the reports of the other auditors.

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

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

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

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida, as of September 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and respective budgetary comparison for the General Emergency Services, Brevard County Transportation Trust, and Grants Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Brevard County, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Local Government Entity Audits*, Rules of the Auditor General of the State of Florida and is also not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2014, on our consideration of the Brevard County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance.

Melbourne, Florida
March 19, 2014

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, 2013. 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, 2013 by \$989.4 million (net position). Of this amount, \$51.4 million (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased \$15.3 million over the previous year with \$14.7 million of the increase resulting from governmental activities and \$.6 million resulting from business-type activities.
- The General Fund reported a fund balance of \$36.4 million, a decrease of \$.2 million from the previous fiscal year.
- Total bonded debt decreased \$18.5 million (6.7%) in fiscal year 2013.

Overview of the Financial Statements

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

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

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

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

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

The government-wide financial statements include not only Brevard County itself (known as the primary government), but also a legally separate airport authority and other entities for which Brevard County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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

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

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

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

Brevard County maintains twenty-five individual governmental funds. The General Fund represents the chief operating fund. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Emergency Services, Brevard County Transportation Trust, and Grants, each of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements shown in Exhibits B-1 to E-1 of this report.

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

The basic governmental fund financial statements can be found on Exhibits A-3 to A-8 of this report.

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

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

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

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Brevard County's own programs. Individual fund data for each of these fiduciary funds is provided in the form of combining statements shown in Exhibits H-1 and H-2 of this report.

The basic fiduciary fund financial statements can be found on Exhibit A-12 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on Exhibit A-13 of this report.

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Brevard County, assets and deferred outflows of resources exceeded liabilities by \$989.4 million at the close of the most recent fiscal year. Brevard County's increase in net position for this fiscal year amounts to \$13.7 million.

The largest portion of Brevard County's net position (75 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		
	2013	2012	2013	2012	2013	2012	% Change
Current and other assets	\$ 317.8	\$ 330.4	\$ 106.2	\$ 106.2	\$ 424.0	\$ 436.6	(2.9)
Capital assets	763.8	740.7	227.8	226.6	991.6	967.3	2.5
Deferred outflows of resources	3.8	2.7	0.0	0.0	3.8	2.7	40.7
Total assets	\$ 1,085.4	\$ 1,073.8	\$ 334.0	\$ 332.8	\$ 1,419.4	\$ 1,406.6	0.9
Long-term liabilities outstanding	\$ 306.0	\$ 313.0	\$ 54.3	\$ 51.8	\$ 360.3	\$ 364.8	(1.2)
Other liabilities	62.6	57.2	7.1	8.9	69.7	66.1	5.4
Total liabilities	\$ 368.6	\$ 370.2	\$ 61.4	\$ 60.7	\$ 430.0	\$ 430.9	(0.2)
Net position							
Net investment in capital assets	\$ 536.1	\$ 512.1	\$ 209.3	\$ 207.8	\$ 745.4	\$ 719.9	3.5
Restricted	162.2	161.7	30.4	28.9	192.6	190.6	1.0
Unrestricted	18.5	29.8	32.9	35.4	51.4	65.2	(21.2)
Total net position	\$ 716.8	\$ 703.6	\$ 272.6	\$ 272.1	\$ 989.4	\$ 975.7	1.4

The restricted portion of Brevard County's net position (19 percent) represents resources that are subject to external restrictions on how they may be used. The restrictions include acquiring land for preservation, beach restoration, fire/rescue, capital improvements to parks and road construction/resurfacing. The restrictions are imposed by actions such as local ordinances or bond covenants. The remaining balance of unrestricted net position (\$51.4 million) may be used to meet the government's ongoing obligations to citizens and creditors within the respective governmental and business-type activities. Unrestricted net position has decreased \$13.8 million, with the largest decrease (\$11.3 million) in the governmental activities. This reflects the trend of increasing operating costs and long-term expenses, such as other post employment benefits and accrued compensated absences, only partially offset by minimal increases in unrestricted revenues. In addition, the County's risk management program, included for the most part in the governmental activities, reported a substantial (\$2.6 million) loss in fiscal year 2013 as reserves were used to offset increasing health care costs.

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

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

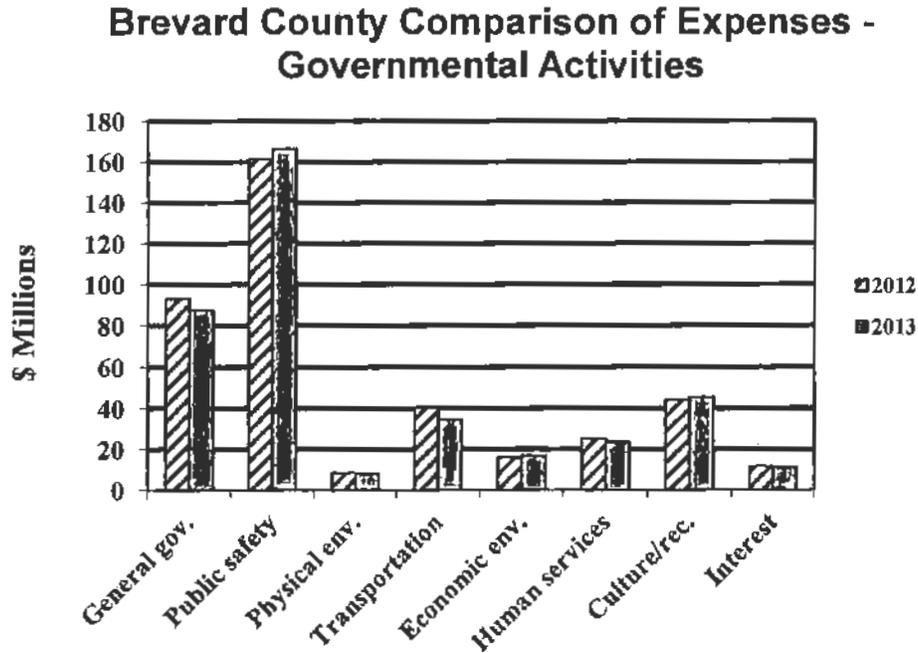
**Brevard County's Changes in Net Position
(in millions)**

	Governmental Activities		Business-type Activities		Total		
	2013	2012	2013	2012	2013	2012	% Change
Revenues							
Program revenues:							
Charges for services	\$ 100.9	\$ 95.0	\$ 70.0	\$ 69.3	\$ 170.9	\$ 164.3	4.0
Operating grants and contributions	41.8	39.0	7.1	7.5	48.9	46.5	5.2
Capital grants and contributions	10.6	9.6	3.8	6.8	14.4	16.4	(12.2)
General revenues:							
Property taxes	183.8	186.1	0.0	0.0	183.8	186.1	(1.2)
Other taxes	27.6	27.1	0.0	0.0	27.6	27.1	1.8
State shared	30.5	29.1	0.0	0.0	30.5	29.1	4.8
Interest	1.0	2.4	0.4	1.0	1.4	3.4	(58.8)
Other	10.7	10.1	0.6	0.6	11.3	10.7	5.6
Total revenues	<u>\$ 406.9</u>	<u>\$ 398.4</u>	<u>\$ 81.9</u>	<u>\$ 85.2</u>	<u>\$ 488.8</u>	<u>\$ 483.6</u>	<u>1.1</u>
Expenses:							
General government	\$ 87.6	\$ 93.0	\$ 0.0	\$ 0.0	\$ 87.6	\$ 93.0	(5.8)
Public safety	166.5	161.4	0.0	0.0	166.5	161.4	3.2
Physical environment	8.2	8.5	0.0	0.0	8.2	8.5	(3.5)
Transportation	34.7	40.4	0.0	0.0	34.7	40.4	(14.1)
Economic environment	16.9	15.9	0.0	0.0	16.9	15.9	6.3
Human services	23.7	25.0	0.0	0.0	23.7	25.0	(5.2)
Culture and recreation	45.4	44.0	0.0	0.0	45.4	44.0	3.2
Interest on long-term debt	11.1	11.5	0.0	0.0	11.1	11.5	(3.5)
Solid waste	0.0	0.0	36.4	34.6	36.4	34.6	5.2
Water resources	0.0	0.0	27.3	27.6	27.3	27.6	(1.1)
Transit services	0.0	0.0	12.6	12.6	12.6	12.6	0.0
Golf courses	0.0	0.0	3.1	3.2	3.1	3.2	(3.1)
Total expenses	<u>\$ 394.1</u>	<u>\$ 399.7</u>	<u>\$ 79.4</u>	<u>\$ 78.0</u>	<u>\$ 473.5</u>	<u>\$ 477.7</u>	<u>(0.9)</u>
Change in net position before special items & transfers	<u>\$ 12.8</u>	<u>\$ (1.3)</u>	<u>\$ 2.5</u>	<u>\$ 7.2</u>	<u>\$ 15.3</u>	<u>\$ 5.9</u>	<u>159.3</u>
Special items	0.0	0.0	0.0	1.8	0.0	1.8	(100.0)
Transfers	1.9	1.7	(1.9)	(1.7)	0.0	0.0	0.0
Increase in net position	<u>\$ 14.7</u>	<u>\$ 0.4</u>	<u>\$ 0.6</u>	<u>\$ 7.3</u>	<u>\$ 15.3</u>	<u>\$ 7.7</u>	<u>98.7</u>
Net position beginning	<u>\$ 703.6</u>	<u>\$ 703.2</u>	<u>\$ 272.1</u>	<u>\$ 264.8</u>	<u>\$ 975.7</u>	<u>\$ 968.0</u>	<u>0.8</u>
Cumulative effect of restatement of prior year balances	<u>(1.5)</u>	<u>0.0</u>	<u>(0.1)</u>	<u>0.0</u>	<u>(1.6)</u>	<u>0.0</u>	<u>100.0</u>
Net position ending	<u>\$ 716.8</u>	<u>\$ 703.6</u>	<u>\$ 272.6</u>	<u>\$ 272.1</u>	<u>\$ 989.4</u>	<u>\$ 975.7</u>	<u>1.4</u>

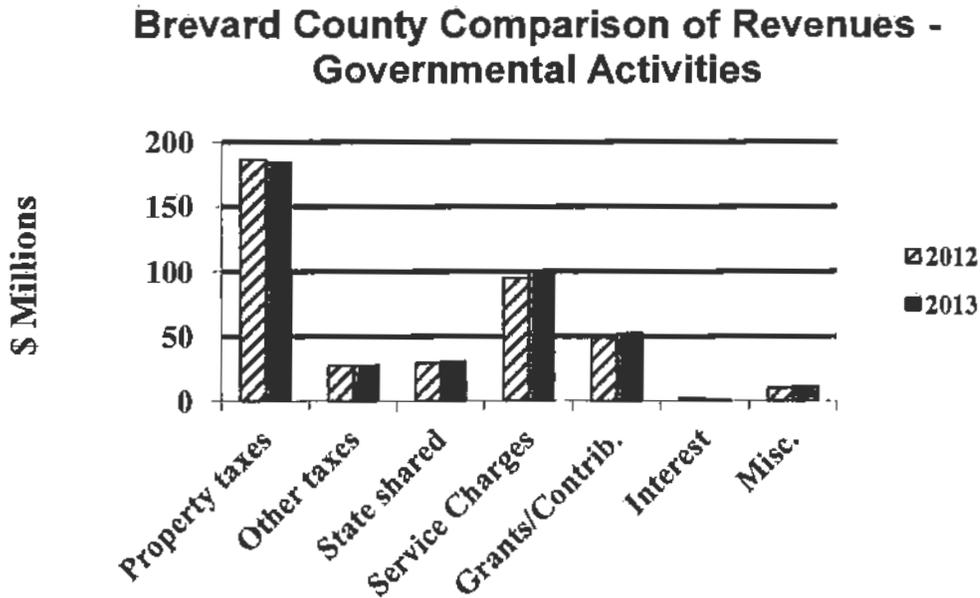
Financial Analysis of Governmental Activities

Governmental activities increased the County's net position by \$14.7 million, compared to an increase of \$4 million in the previous year. Transportation expenses showed a \$5.7 million decrease from fiscal year 2012. Departmental expenses shifted from road resurfacing and other maintenance to construction. Payments to municipalities decreased as balances in impact fees declined due to the moratorium on transportation related impact fees. Public safety expenses, including the Sheriff's department and Fire/Rescue, showed a \$5.1 million increase and continued to account for the largest percentage (42%) of program expenses.

The chart comparing the major expenses of governmental activities for fiscal years 2012 and 2013 is as follows:



Property tax collections declined as a result of the decline in millages levied by the County. Increased revenues from sales tax and state shared improved along with the economy. The chart comparing the major revenues of governmental activities for fiscal years 2012 and 2013 is as follows:



Financial Analysis of Business-type Activities

Business-type activities increased the County’s net position by \$.6 million, compared to \$7.3 million in the previous year. The County’s water resources operations experienced the largest increase in net position at \$2.8 million. The County’s Space Coast Area Transit operations reported a \$.8 million decrease and solid waste operations reported a \$.8 million decrease in net position.

Financial Analysis of Brevard County's Funds

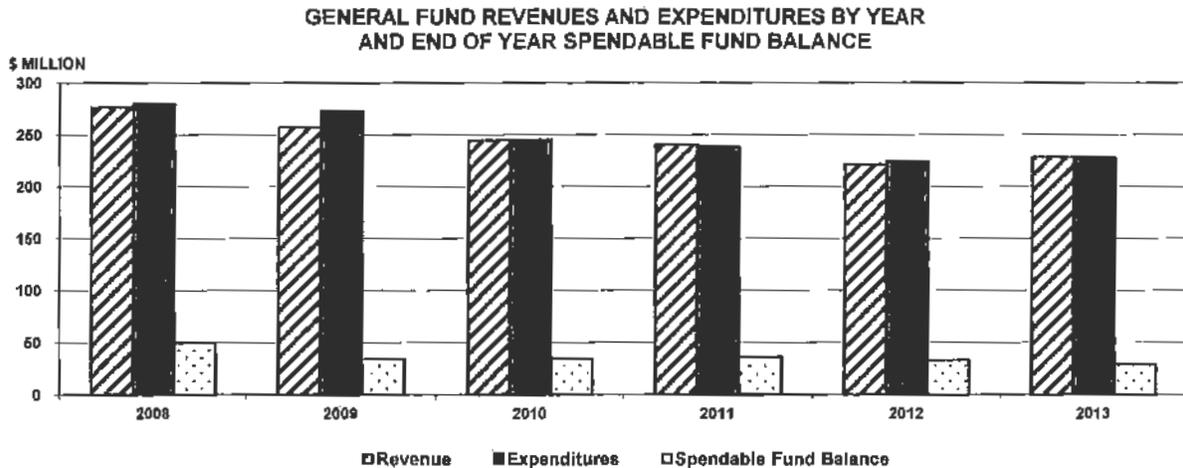
As noted earlier, Brevard County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

As of September 30, 2013, Brevard County governmental funds reported combined fund balances of \$228.9 million, a decrease of \$12.9 million from the prior year balances. The decrease is primarily attributable to the expenditures for projects in the current year in the Brevard County Transportation Trust and Parks and Recreation Facilities funds which were funded by bond proceeds and other balances carried forward from prior years.

At September 30, 2013, total fund balance in the General Fund was \$36.4 million, of which \$32.8 million was spendable as compared to a total fund balance of \$36.6 million and a spendable fund balance of \$32.9 million at September 30, 2012. The General Fund balance includes \$4.4 million of unexpended capital debt proceeds issued to purchase helicopters and equipment for the Mosquito Control District. Without the debt proceeds as of fiscal year end, the spendable fund balance compared to total fund expenditures and other financing uses would show 12.5%. The level in the preceding fiscal year was 14.7%. The General Fund's annual fiscal pattern is as follows:



Emergency Services received \$57.8 million of dedicated property taxes, fire assessment, ambulance fees and General Fund financial support during fiscal year 2013. The department expended \$58.3 million for personnel, operations and some capital renovations. The \$23.3 million in fund balance is a slight reduction from fiscal year 2012.

The fund balance in the Brevard County Transportation Trust fund decreased by \$10.3 million in fiscal year 2013 as expenditures continued for major road projects. The \$80.2 million restricted fund balance in fiscal year 2013 includes \$43.1 million from the Local Option Fuel Tax Bonds issued in 2007 while the remainder represents impact fees and gas taxes for infrastructure improvements.

The Tourism Development Tax fund balance increased \$2.9 million in fiscal year 2013 to a total of \$20.9 million. The increased fund balance includes \$11.2 million that has been restricted to future beach improvement, restoration and erosion control. The funds dedicated to the spring training baseball facility increased \$1.3 million and the bonds that financed the baseball facility have been completely retired. The training facility is currently leased to a professional team and the County has committed some funds in fiscal year 2014 to capital maintenance.

The Grants fund revenues increased by \$5.8 million and expenditures increased by \$4.9 million over the previous year. The Grants fund reported a net decrease in fund balance of \$.4 million, increasing the deficit fund balance to \$3.8 million at year end. The deficit fund balance is primarily a result of grant reimbursements not received within the first 90 days of the subsequent fiscal year.

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

Enterprise Funds. At September 30, 2013, total net position amounted to \$269.6 million for enterprise funds as compared to \$268.6 million at September 30, 2012. Net position changes are a result of operations, investment earnings and capital contributions in the Solid Waste Management and Water Resources funds.

The Solid Waste Management Department reported a reduction in net position of \$.6 million. The total current assets of \$68.9 million include \$30.6 million restricted for landfill closure. The unrestricted current assets of \$38.3 million represent 226% of the \$16.9 million disbursed to operate the department in fiscal year 2013. The department also disbursed \$10.3 million to acquire, construct or improve capital assets during the fiscal year. Future landfill and facilities expansion will be accommodated with operating resources and capital financing.

The Water Resources Department reported an increase in net position for fiscal year 2013 of \$2.8 million, compared to the \$4.4 million increase in net position in the preceding fiscal year. The capital contributions, including impact fees and developer contributions, decreased from \$2.0 million in fiscal year 2012 to \$1.8 million in fiscal year 2013.

The Barefoot Bay Water & Sewer District reported a decrease in net position for fiscal year 2013 of \$.1 million, compared to the \$.2 million decrease in net position in the preceding fiscal year. The unrestricted current assets of \$1.8 million represent 113% of the \$1.6 million to operate the District in fiscal year 2013. The District also disbursed \$.3 million to acquire, construct or improve capital assets during the fiscal year.

General Fund Budgetary Highlights

A budget to actual statement is provided for the General Fund. A budget column for both the original budget adopted for fiscal year 2013, as well as, the final budget is presented.

A comparison of the original to the final operating revenue budget shows an increase of \$2.3 million, primarily as a result of increases in charges for service and other miscellaneous revenue estimates. Expenditures were \$11.7 million less than final budgeted amounts.

Capital Asset and Debt Administration

Capital Assets. Brevard County's investment in capital assets for its governmental and business-type activities as of September 30, 2013, amounts to \$991.6 million (net of accumulated depreciation). This investment in capital assets includes land, easements, buildings and structures, improvements, goodwill, machinery and equipment, and park facilities. The roads, highways, bridges and other infrastructure are also included. The total increase in Brevard County's investment in capital assets for the current fiscal year was 2.5 percent.

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

	Governmental Activities		Business-type Activities		Total	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$ 244.4	\$ 242.2	\$ 37.9	\$ 37.9	\$ 282.3	\$ 280.1
Easements	0.2	0.1	0.0	0.0	0.2	0.1
Goodwill	0.0	0.0	1.0	1.0	1.0	1.0
Construction in progress	48.7	37.7	15.6	13.8	64.3	51.5
Building and structures	216.6	222.9	32.4	31.1	249.0	254.0
Infrastructure	137.8	132.3	15.5	16.1	153.3	148.4
Improvements to land	43.0	40.9	3.6	3.3	46.6	44.2
Improvements other than building	22.0	22.1	101.4	102.7	123.4	124.8
Machinery and equipment	51.1	42.5	20.4	20.7	71.5	63.2
	<u>\$ 763.8</u>	<u>\$ 740.7</u>	<u>\$ 227.8</u>	<u>\$ 226.6</u>	<u>\$ 991.6</u>	<u>\$ 967.3</u>

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

Long-term debt. At the end of the current fiscal year, Brevard County had total bonded debt outstanding of \$259.5 million, which is a 6.7% decrease from fiscal year 2012. Of this amount, \$112.2 million comprises debt backed by voter approved property taxes and \$147.3 million is secured solely by specified revenue sources (i.e., revenue bonds).

Brevard County's Outstanding Debt
(in millions)
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Limited Ad Valorem Tax Bonds	\$ 112.2	\$ 119.5	\$ 0.0	\$ 0.0	\$ 112.2	\$ 119.5
Revenue bonds	129.8	139.8	17.5	18.7	147.3	158.5
	<u>\$ 242.0</u>	<u>\$ 259.3</u>	<u>\$ 17.5</u>	<u>\$ 18.7</u>	<u>\$ 259.5</u>	<u>\$ 278.0</u>

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

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Brevard County is currently 6.5 percent, which was a decrease from a rate of 9.2 percent a year ago. The state's average unemployment rate is 6.2 percent and the national average rate is 6.7 percent.
- Total property valuation increased from \$43.0 billion to \$45.5 billion. Taxable property valuation increased from \$24.6 billion to \$25.7 billion. The valuation of Save Our Homes exemptions is \$1.7 billion, up from \$.5 billion in 2012.

Brevard County experienced a slight increase in general revenues over the preceding year. Millages levied on increased property valuations were reduced while improved revenues from sales taxes made up for part of the decline. The number of building permits issued during 2013 was 12,375, a 13.9% increase over the prior year. The debt per capita has continued to decline as obligations are retired.

All of these factors were considered in preparing Brevard County's budget for the 2014 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.



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BASIC FINANCIAL STATEMENTS

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BREVARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

	<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	\$ 276,143,354	\$ 61,810,810	\$ 337,954,164	\$ 9,989,676
Cash with escrow and paying agents	1,224,832	0	1,224,832	0
Investments	0	0	0	1,036,152
Receivables (net of allowance for uncollectibles)	10,875,427	840,754	11,716,181	708,864
Taxes receivable	510,691	0	510,691	0
Assessments receivable	128,178	0	128,178	0
Accrued interest receivable	390,112	139,693	529,805	3,501
Internal balances	(3,822,010)	3,822,010	0	0
Due from other governmental units	21,661,661	5,334,561	26,996,222	910,382
Inventory of supplies	6,275,719	1,177,758	7,453,477	0
Prepaid items	3,674,109	1,000,380	4,674,489	6,385
Restricted assets:				
Cash and cash equivalents	0	31,977,296	31,977,296	0
Capital assets, not being depreciated:				
Land	244,406,525	37,938,919	282,345,444	14,204,818
Easements	245,216	0	245,216	0
Goodwill	0	940,130	940,130	0
Construction in progress	48,702,950	15,576,163	64,279,113	4,382,149
Capital assets, net of accumulated depreciation:				
Buildings and structures	216,626,078	32,370,369	248,996,447	13,476,076
Infrastructure	137,766,968	15,470,052	153,237,020	0
Improvements to land	42,966,749	3,596,521	46,563,270	1,167,642
Improvements other than buildings	22,001,144	101,435,873	123,437,017	13,772,783
Machinery and equipment	51,141,528	20,425,898	71,567,426	586,233
Advances to component units	43,912	0	43,912	0
Unamortized bond insurance	739,404	77,240	816,644	0
Total assets	<u>\$ 1,081,702,547</u>	<u>\$ 333,934,427</u>	<u>\$ 1,415,636,974</u>	<u>\$ 60,244,661</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	\$ 3,761,795	\$ 20,707	\$ 3,782,502	\$ 0

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

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Vouchers and contracts payable	\$ 15,128,814	\$ 4,221,780	\$ 19,350,594	\$ 1,483,691
Accrued wages and benefits payable	11,070,691	0	11,070,691	0
Accrued interest payable	1,959,777	373,598	2,333,375	0
Advance payments	0	0	0	202,120
Due to other governmental units	1,098,188	116,474	1,214,662	0
Unearned revenue	1,799,457	0	1,799,457	40,060
Customer deposits	0	768,247	768,247	0
Noncurrent liabilities:				
Due within one year:				
Claims payable	7,756,012	0	7,756,012	0
Compensated absences	3,085,004	215,254	3,300,258	107,288
Intergovernmental payable	86,641	0	86,641	0
Leases payable	154,873	0	154,873	0
Notes payable	1,619,000	207,000	1,826,000	192,106
Bonds and revenue notes payable	18,828,796	1,242,204	20,071,000	0
Due in more than one year:				
Claims payable	8,959,805	0	8,959,805	0
Landfill closure and postclosure care	0	32,837,514	32,837,514	0
Compensated absences	24,036,626	1,556,533	25,593,159	0
Intergovernmental payable	259,925	0	259,925	0
Other postemployment benefits	23,508,292	2,769,021	26,277,313	132,197
Advances from primary government	0	0	0	43,912
Leases payable	251,450	0	251,450	0
Notes payable	9,163,000	828,000	9,991,000	834,342
Bonds and revenue notes payable (net of unamortized discounts)	239,854,962	16,242,842	256,097,804	0
Total liabilities	\$ 368,621,313	\$ 61,378,467	\$ 429,999,780	\$ 3,035,716
NET POSITION				
Net investment in capital assets	\$ 536,119,911	\$ 209,254,586	\$ 745,374,497	\$ 46,563,253
Restricted for:				
Debt service	4,984,478	165,810	5,150,288	0
General government	4,002,941	0	4,002,941	0
Education	9,889,449	0	9,889,449	0
Public safety	27,100,458	0	27,100,458	0
Physical environment	14,318,507	0	14,318,507	0
Transportation	55,860,008	0	55,860,008	0
Economic environment	21,972,000	0	21,972,000	0
Human services	6,281,298	0	6,281,298	0
Culture and recreation	17,850,939	0	17,850,939	0
Housing	0	0	0	500,000
Landfill closure and postclosure	0	30,249,888	30,249,888	0
Unrestricted	18,463,040	32,906,383	51,369,423	10,145,692
Total net position	\$ 716,843,029	\$ 272,576,667	\$ 989,419,696	\$ 57,208,945

BREVARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 87,563,817	\$ 33,300,128	\$ 12,403,738	\$ 0
Public safety	166,505,085	44,095,465	4,279,392	1,162,718
Physical environment	8,147,573	4,428,488	887,505	4,156,067
Transportation	34,742,683	9,021,870	9,138,934	5,272,781
Economic environment	16,940,449	1,006	10,968,237	0
Human services	23,724,413	5,393,364	2,448,099	0
Culture and recreation	45,386,508	4,676,605	1,679,601	0
Interest on long-term debt	11,117,856	0	0	0
Total governmental activities	<u>\$ 394,128,384</u>	<u>\$ 100,916,926</u>	<u>\$ 41,805,506</u>	<u>\$ 10,591,566</u>
Business type activities:				
Solid Waste	\$ 36,392,763	\$ 35,942,282	\$ 24,170	\$ 347,512
Water Resources	27,245,693	29,646,790	1,494	1,759,614
Transit Services	12,600,211	1,704,958	7,034,603	1,659,570
County-wide golf courses	3,148,594	2,680,893	0	338
Total business type activities	<u>\$ 79,387,261</u>	<u>\$ 69,974,923</u>	<u>\$ 7,060,267</u>	<u>\$ 3,767,034</u>
Total primary government	<u><u>\$ 473,515,645</u></u>	<u><u>\$ 170,891,849</u></u>	<u><u>\$ 48,865,773</u></u>	<u><u>\$ 14,358,600</u></u>
Component units:				
North Brevard County				
Public Library District	\$ 2,366	\$ 3,240	\$ 0	\$ 0
Merritt Island Redevelopment Agency	1,936,096	0	0	0
North Brevard Economic Development Zone	75,139	0	0	0
Titusville-Cocoa Airport Authority	3,117,566	2,124,476	0	4,076,022
Housing Finance Authority	163,716	1,468,940	0	0
Total component units	<u><u>\$ 5,294,883</u></u>	<u><u>\$ 3,596,656</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 4,076,022</u></u>

General revenues:

Taxes:

Ad valorem taxes, levied for general purposes

Ad valorem taxes, levied for debt service

Communications services tax

Local option gas tax

Tourist tax

Other

State shared revenues (unrestricted)

Interest income

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Restatement of net position due to implementation of GASB Nos. 63 and 65

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>	
\$ (41,859,951)	\$ 0	\$ (41,859,951)	
(116,967,510)	0	(116,967,510)	
1,324,487	0	1,324,487	
(11,309,098)	0	(11,309,098)	
(5,971,206)	0	(5,971,206)	
(15,882,950)	0	(15,882,950)	
(39,030,302)	0	(39,030,302)	
(11,117,856)	0	(11,117,856)	
<u>\$ (240,814,386)</u>	<u>\$ 0</u>	<u>\$ (240,814,386)</u>	
\$ 0	\$ (78,799)	\$ (78,799)	
0	4,162,205	4,162,205	
0	(2,201,080)	(2,201,080)	
0	(467,363)	(467,363)	
<u>\$ 0</u>	<u>\$ 1,414,963</u>	<u>\$ 1,414,963</u>	
<u>\$ (240,814,386)</u>	<u>\$ 1,414,963</u>	<u>\$ (239,399,423)</u>	
			\$ 874
			(1,936,096)
			(75,139)
			3,082,932
			<u>1,305,224</u>
			<u>\$ 2,377,795</u>
\$ 169,528,902	\$ 0	\$ 169,528,902	\$ 0
14,232,273	0	14,232,273	0
8,111,026	0	8,111,026	0
10,100,734	0	10,100,734	0
8,843,201	0	8,843,201	0
550,127	0	550,127	845,902
30,525,071	0	30,525,071	0
982,088	455,777	1,437,865	(7,321)
10,672,354	659,140	11,331,494	13,407
1,883,412	(1,883,412)	0	0
<u>\$ 255,429,188</u>	<u>\$ (768,495)</u>	<u>\$ 254,660,693</u>	<u>\$ 851,988</u>
\$ 14,614,802	\$ 646,468	\$ 15,261,270	\$ 3,229,783
\$ 703,597,249	\$ 272,063,535	\$ 975,660,784	\$ 53,979,162
(1,369,022)	(133,336)	(1,502,358)	0
<u>\$ 702,228,227</u>	<u>\$ 271,930,199</u>	<u>\$ 974,158,426</u>	<u>\$ 53,979,162</u>
<u>\$ 716,843,029</u>	<u>\$ 272,576,667</u>	<u>\$ 989,419,696</u>	<u>\$ 57,208,945</u>

BREVARD COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<u>General</u>	<u>Emergency Services</u>
ASSETS		
Cash	\$ 38,765,265	\$ 18,585,568
Receivables (net of allowance for uncollectibles):		
Accounts	3,502,936	6,694,243
Taxes	332,150	22,655
Assessments	77,555	20,538
Accrued interest	37,344	28,621
Due from other funds	4,357,973	51,771
Due from other governmental units	6,127,001	886,039
Inventory of supplies	3,173,780	1,087,505
Advances to other funds	0	0
Prepaid items	649,236	986,268
Total assets	<u>\$ 57,023,240</u>	<u>\$ 28,363,208</u>
LIABILITIES		
Vouchers and contracts payable	\$ 3,732,205	\$ 1,222,101
Accrued wages and benefits payable	10,491,443	0
Due to other funds	1,653,710	15
Due to other governmental units	997,650	65,556
Advances from other funds	1,104,345	0
Unearned revenue	843,637	152,138
Total liabilities	<u>\$ 18,822,990</u>	<u>\$ 1,439,810</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-grants	\$ 364,040	\$ 0
Unavailable revenue-taxes and assessments	393,358	43,193
Unavailable revenue-future reimbursements	993,637	0
Unavailable revenue-charges for services	0	3,613,632
Total deferred inflows of resources	<u>\$ 1,751,035</u>	<u>\$ 3,656,825</u>
Fund balances:		
Non-spendable	\$ 3,613,429	\$ 2,073,773
Restricted	0	20,742,800
Committed	0	0
Assigned	11,407,657	450,000
Unassigned	21,428,129	0
Total fund balances	<u>\$ 36,449,215</u>	<u>\$ 23,266,573</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 57,023,240</u>	<u>\$ 28,363,208</u>

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

<i>Brevard County Transportation Trust</i>	<i>Grants</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 82,105,280	\$ 117,765	\$ 88,386,933	\$ 227,960,811
17,997	101,715	379,968	10,696,859
0	0	155,886	510,691
0	0	30,085	128,178
126,029	182	126,008	318,184
353,367	0	4,654,695	9,417,806
2,752,276	10,756,200	1,130,231	21,651,747
39,686	0	1,974,748	6,275,719
0	0	276,024	276,024
0	0	294,523	1,930,027
<u>\$ 85,394,635</u>	<u>\$ 10,975,862</u>	<u>\$ 97,409,101</u>	<u>\$ 279,166,046</u>
\$ 3,291,509	\$ 2,020,179	\$ 4,078,443	\$ 14,344,437
0	0	579,248	11,070,691
0	8,688,553	243,393	10,585,671
0	0	34,982	1,098,188
0	0	0	1,104,345
252,097	243,422	308,163	1,799,457
<u>\$ 3,543,606</u>	<u>\$ 10,952,154</u>	<u>\$ 5,244,229</u>	<u>\$ 40,002,789</u>
\$ 279,829	\$ 3,752,033	\$ 490,415	\$ 4,886,317
0	0	164,740	601,291
0	0	114,373	1,108,010
0	26,075	0	3,639,707
<u>\$ 279,829</u>	<u>\$ 3,778,108</u>	<u>\$ 769,528</u>	<u>\$ 10,235,325</u>
\$ 39,686	\$ 0	\$ 2,354,912	\$ 8,081,800
80,215,883	0	85,639,444	186,598,127
0	0	3,305,031	3,305,031
1,315,631	0	95,957	13,269,245
0	(3,754,400)	0	17,673,729
<u>\$ 81,571,200</u>	<u>\$ (3,754,400)</u>	<u>\$ 91,395,344</u>	<u>\$ 228,927,932</u>
<u>\$ 85,394,635</u>	<u>\$ 10,975,862</u>	<u>\$ 97,409,101</u>	<u>\$ 279,166,046</u>

BREVARD COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

Fund balances - total governmental funds	\$ 228,927,932
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.	761,940,887
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	739,404
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	(318,035,190)
Unavailable revenue in the governmental funds is susceptible to full accrual on the entity-wide statements.	10,235,325
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.	33,034,671
Net position of governmental activities	<u>\$ 716,843,029</u>



BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>General</i>	<i>Emergency Services</i>
REVENUES		
Taxes	\$ 126,468,872	\$ 9,239,523
Permits, fees and special assessments	14,537,073	21,021,574
Intergovernmental revenues	44,043,634	2,965,958
Charges for services	24,093,892	15,496,119
Fines and forfeits	694,130	331,717
Miscellaneous revenues	5,761,334	148,690
Total revenues	\$ 215,598,935	\$ 49,203,581
EXPENDITURES		
Current:		
General government	\$ 74,238,934	\$ 0
Public safety	83,375,818	56,591,040
Physical environment	2,661,729	0
Transportation	6,320,662	0
Economic environment	1,608,404	0
Human services	14,959,554	0
Culture and recreation	15,351,373	0
Intergovernmental	3,125,868	139,690
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	10,504	0
Total expenditures	\$ 201,652,846	\$ 56,730,730
Excess (deficiency) of revenues over (under) expenditures	\$ 13,946,089	\$ (7,527,149)
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 7,586,848	\$ 8,584,785
Transfers out	(26,428,218)	(1,547,665)
Proceeds of the sale of capital assets	165,011	12,996
Insurance proceeds	97,104	0
Refunding debt issued	0	0
Capital related debt issued	4,585,044	0
Debt refunding payment	0	0
Total other financing sources and uses	\$ (13,994,211)	\$ 7,050,116
Net change in fund balances	\$ (48,122)	\$ (477,033)
Fund balances - beginning	36,613,119	23,792,249
Increase (decrease) in non-spendable	(115,782)	(48,643)
Fund balances - ending	\$ 36,449,215	\$ 23,266,573

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

<i>Brevard County Transportation Trust</i>	<i>Grants</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
\$ 10,627,140	\$ 0	\$ 65,030,728	\$ 211,366,263
1,654,268	0	10,799,875	48,012,790
9,253,057	25,059,736	1,765,751	83,088,136
2,746,196	75,904	7,800,101	50,212,212
0	0	1,666,077	2,691,924
785,817	460,374	2,561,460	9,717,675
<u>\$ 25,066,478</u>	<u>\$ 25,596,014</u>	<u>\$ 89,623,992</u>	<u>\$ 405,089,000</u>
\$ 55,299	\$ 666,661	\$ 7,531,191	\$ 82,492,085
0	1,324,104	20,951,094	162,242,056
0	4,643,399	9,130,510	16,435,638
28,026,721	5,474,985	4,014,866	43,837,234
0	8,632,273	5,584,481	15,825,158
0	3,085,246	4,472,283	22,517,083
0	774,801	21,387,247	37,513,421
322,660	1,698,058	782,745	6,069,021
0	0	12,114,784	12,114,784
4,180,116	0	16,064,964	20,245,080
5,015,643	0	6,231,394	11,257,541
<u>\$ 37,600,439</u>	<u>\$ 26,299,527</u>	<u>\$ 108,265,559</u>	<u>\$ 430,549,101</u>
<u>\$ (12,533,961)</u>	<u>\$ (703,513)</u>	<u>\$ (18,641,567)</u>	<u>\$ (25,460,101)</u>
\$ 3,855,936	\$ 582,098	\$ 18,550,110	\$ 39,159,777
(1,906,936)	(300,000)	(9,188,231)	(39,371,050)
214,166	0	1,525,422	1,917,595
32,140	5,104	1,681	136,029
0	0	39,770,000	39,770,000
0	0	6,196,956	10,782,000
0	0	(39,635,324)	(39,635,324)
<u>\$ 2,195,306</u>	<u>\$ 287,202</u>	<u>\$ 17,220,614</u>	<u>\$ 12,759,027</u>
\$ (10,338,655)	\$ (416,311)	\$ (1,420,953)	\$ (12,701,074)
91,905,562	(3,338,089)	92,864,543	241,837,384
4,293	0	(48,246)	(208,378)
<u>\$ 81,571,200</u>	<u>\$ (3,754,400)</u>	<u>\$ 91,395,344</u>	<u>\$ 228,927,932</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, 2013

Net change in fund balances - total governmental funds	\$ (12,701,074)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.	21,430,596
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations).	1,302,172
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.	157,992
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.	9,415,045
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.	(2,850,658)
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.	(422,610)
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>(1,716,661)</u>
Change in net position of governmental activities	<u>\$ 14,614,802</u>



BREVARD COUNTY, FLORIDA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 123,619,985	\$ 123,619,985	\$ 118,355,320	\$ (5,264,665)
Communications services tax	7,699,018	7,938,004	7,584,620	(353,384)
Other taxes	400,000	400,000	528,932	128,932
Total taxes	\$ 131,719,003	\$ 131,957,989	\$ 126,468,872	\$ (5,489,117)
Permits, fees and special assessments:				
Franchise fees-electricity	\$ 14,305,476	\$ 14,305,476	\$ 12,601,382	\$ (1,704,094)
Special assessments	6,975	6,975	26,712	19,737
Other permits and fees	1,254,545	1,258,756	1,908,979	650,223
Total permits, fees, and special assessments	\$ 15,566,996	\$ 15,571,207	\$ 14,537,073	\$ (1,034,134)
Intergovernmental revenues:				
Federal grants	\$ 1,225,185	\$ 1,711,486	\$ 1,517,846	\$ (193,640)
Federal payments in lieu of taxes	0	0	110,503	110,503
State grants	0	723,600	723,668	68
State shared revenues	44,434,330	41,181,830	41,344,209	162,379
Grants from other local units	568,053	638,747	291,918	(346,829)
Payments from other local units in lieu of taxes	50,000	50,000	55,490	5,490
Total intergovernmental revenues	\$ 46,277,568	\$ 44,305,663	\$ 44,043,634	\$ (262,029)
Charges for services:				
General government	\$ 12,832,062	\$ 13,403,441	\$ 13,346,547	\$ (56,894)
Public safety	351,100	392,528	637,016	244,488
Physical environment	424,708	424,708	396,157	(28,551)
Transportation	592,764	658,027	646,953	(11,074)
Human services	174,000	174,000	116,124	(57,876)
Culture and recreation	3,884,230	3,885,730	3,736,982	(148,748)
Court-related revenues	78,000	2,307,400	2,304,590	(2,810)
Other charges for services	2,941,834	3,108,632	2,909,523	(199,109)
Total charges for services	\$ 21,278,698	\$ 24,354,466	\$ 24,093,892	\$ (260,574)
Fines and forfeits	\$ 119,259	\$ 618,659	\$ 694,130	\$ 75,471
Miscellaneous revenues:				
Interest earnings	\$ 503,442	\$ 498,707	\$ 213,734	\$ (284,973)
Rents and royalties	1,535,774	1,535,774	1,684,489	148,715
Sales of surplus materials	2,500	7,709	25,928	18,219
Contributions and donations	180,458	662,323	580,271	(82,052)
Licenses	1,107,750	1,107,750	986,866	(120,884)
Other miscellaneous revenues	4,036,489	4,024,553	2,270,046	(1,754,507)
Total miscellaneous revenues	\$ 7,366,413	\$ 7,836,816	\$ 5,761,334	\$ (2,075,482)
Total revenues	\$ 222,327,937	\$ 224,644,800	\$ 215,598,935	\$ (9,045,865)
EXPENDITURES				
Current:				
General government:				
Legislative	\$ 1,357,267	\$ 1,377,267	\$ 1,291,016	\$ 86,251
Executive	820,515	902,531	902,922	(391)
Financial and administrative	30,193,996	32,480,508	31,045,905	1,434,603
Legal counsel	1,233,243	1,302,769	1,308,465	(5,696)
Comprehensive planning	2,180,879	2,232,148	2,068,416	163,732
Court related	24,104,452	24,236,549	22,628,345	1,608,204
Other general government	15,584,520	15,772,135	14,993,865	778,270
Total general government	\$ 75,474,872	\$ 78,303,907	\$ 74,238,934	\$ 4,064,973

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

	<i>Budgeted Amounts</i>			<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	<i>final budget - Positive (Negative)</i>
Expenditures (continued)				
Public safety:				
Law enforcement	\$ 37,866,644	\$ 39,592,664	\$ 40,118,517	\$ (525,853)
Detention and/or correction	40,770,760	40,186,625	39,005,224	1,181,401
Protective inspections	1,387,192	1,387,192	1,310,091	77,101
Emergency and disaster relief services	2,591,689	3,030,704	1,528,421	1,502,283
Medical examiner	1,482,953	1,517,953	1,413,565	104,388
Other public safety	6,400	6,400	0	6,400
Total public safety	\$ 84,105,638	\$ 85,721,538	\$ 83,375,818	\$ 2,345,720
Physical environment:				
Conservation and resource management	\$ 2,993,523	\$ 3,131,493	\$ 2,661,729	\$ 469,764
Transportation:				
Road and street facilities	\$ 6,305,991	\$ 6,305,991	\$ 5,665,013	\$ 640,978
Airports	1,198,370	954,155	655,649	298,506
Total transportation	\$ 7,504,361	\$ 7,260,146	\$ 6,320,662	\$ 939,484
Economic environment:				
Industry development	\$ 1,400,050	\$ 1,400,050	\$ 1,400,050	\$ 0
Veterans' services	202,813	212,989	208,354	4,635
Total economic environment	\$ 1,602,863	\$ 1,613,039	\$ 1,608,404	\$ 4,635
Human services:				
Health	\$ 10,264,034	\$ 10,999,627	\$ 10,762,160	\$ 237,467
Mental health	2,391,369	2,391,369	2,296,938	94,431
Welfare	1,799,184	2,109,097	1,832,266	276,831
Developmental disabilities	69,055	69,055	68,190	865
Total human services	\$ 14,523,642	\$ 15,569,148	\$ 14,959,554	\$ 609,594
Culture and recreation:				
Parks and recreation	\$ 18,323,480	\$ 18,407,620	\$ 15,161,380	\$ 3,246,240
Cultural services	203,776	203,776	189,993	13,783
Total culture and recreation	\$ 18,527,256	\$ 18,611,396	\$ 15,351,373	\$ 3,260,023
Intergovernmental	\$ 3,244,466	\$ 3,130,868	\$ 3,125,868	\$ 5,000
Debt service:				
Principal	\$ 0	\$ 11,270	\$ 0	\$ 11,270
Interest	10,000	6,745	10,504	(3,759)
Total debt service	\$ 10,000	\$ 18,015	\$ 10,504	\$ 7,511
Total expenditures	\$ 207,986,621	\$ 213,359,550	\$ 201,652,846	\$ 11,706,704
Excess of revenues over expenditures	\$ 14,341,316	\$ 11,285,250	\$ 13,946,089	\$ 2,660,839
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 12,036,997	\$ 9,288,601	\$ 7,586,848	\$ (1,701,753)
Transfers out	(29,266,204)	(28,862,842)	(26,428,218)	2,434,624
Proceeds of the sale of capital assets	82,500	82,500	165,011	82,511
Insurance proceeds	62,645	99,680	97,104	(2,576)
Capital related debt issued	372,500	4,585,044	4,585,044	0
Total other financing sources and uses	\$ (16,711,562)	\$ (14,807,017)	\$ (13,994,211)	\$ 812,806
Net change in fund balances	\$ (2,370,246)	\$ (3,521,767)	\$ (48,122)	\$ 3,473,645
Fund balances - beginning	36,613,119	36,613,119	36,613,119	0
Decrease in non-spendable	0	0	(115,782)	(115,782)
Fund balances - ending	\$ 34,242,873	\$ 33,091,352	\$ 36,449,215	\$ 3,357,863

BREVARD COUNTY, FLORIDA
EMERGENCY SERVICES

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 9,615,985	\$ 9,615,985	\$ 9,239,523	\$ (376,462)
Permits, fees and special assessments	21,709,631	21,731,131	21,021,574	(709,557)
Intergovernmental revenues	3,647,974	3,647,974	2,965,958	(682,016)
Charges for services	15,568,699	15,568,699	15,496,119	(72,580)
Fines and forfeits	470,526	470,526	331,717	(138,809)
Miscellaneous revenues	194,948	194,948	148,690	(46,258)
Total revenues	<u>\$ 51,207,763</u>	<u>\$ 51,229,263</u>	<u>\$ 49,203,581</u>	<u>\$ (2,025,682)</u>
EXPENDITURES				
Current:				
Public safety	\$ 64,919,237	\$ 65,820,644	\$ 56,591,040	\$ 9,229,604
Intergovernmental	198,624	198,624	139,690	58,934
Total expenditures	<u>\$ 65,117,861</u>	<u>\$ 66,019,268</u>	<u>\$ 56,730,730</u>	<u>\$ 9,288,538</u>
Deficiency of revenues under expenditures	<u>\$ (13,910,098)</u>	<u>\$ (14,790,005)</u>	<u>\$ (7,527,149)</u>	<u>\$ 7,262,856</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 8,896,002	\$ 8,896,002	\$ 8,584,785	\$ (311,217)
Transfers out	(1,529,420)	(1,553,617)	(1,547,665)	5,952
Proceeds of the sale of capital assets	0	0	12,996	12,996
Total other financing sources and uses	<u>\$ 7,366,582</u>	<u>\$ 7,342,385</u>	<u>\$ 7,050,116</u>	<u>\$ (292,269)</u>
Net change in fund balances	<u>\$ (6,543,516)</u>	<u>\$ (7,447,620)</u>	<u>\$ (477,033)</u>	<u>\$ 6,970,587</u>
Fund balances - beginning	23,792,249	23,792,249	23,792,249	0
Decrease in non-spendable	0	0	(48,643)	(48,643)
Fund balances - ending	<u>\$ 17,248,733</u>	<u>\$ 16,344,629</u>	<u>\$ 23,266,573</u>	<u>\$ 6,921,944</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 8,271,448	\$ 8,271,448	\$ 10,627,140	\$ 2,355,692
Permits, fees and special assessments	0	1,748,892	1,654,268	(94,624)
Intergovernmental revenues	8,688,469	9,423,489	9,253,057	(170,432)
Charges for services	1,764,100	2,911,723	2,746,196	(165,527)
Miscellaneous revenues	945,986	945,986	785,817	(160,169)
Total revenues	<u>\$ 19,670,003</u>	<u>\$ 23,301,538</u>	<u>\$ 25,066,478</u>	<u>\$ 1,764,940</u>
EXPENDITURES				
Current:				
General government	\$ 55,031	\$ 56,531	\$ 55,299	\$ 1,232
Transportation	63,176,824	83,663,675	28,026,721	55,636,954
Intergovernmental	60,000	335,000	322,660	12,340
Debt service:				
Principal	4,135,000	4,185,514	4,180,116	5,398
Interest	5,013,434	5,015,315	5,015,643	(328)
Total expenditures	<u>\$ 72,440,289</u>	<u>\$ 93,256,035</u>	<u>\$ 37,600,439</u>	<u>\$ 55,655,596</u>
Deficiency of revenues under expenditures	<u>\$ (52,770,286)</u>	<u>\$ (69,954,497)</u>	<u>\$ (12,533,961)</u>	<u>\$ 57,420,536</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 3,865,614	\$ 3,865,614	\$ 3,855,936	\$ (9,678)
Transfers out	(715,869)	(2,102,021)	(1,906,936)	195,085
Proceeds of the sale of capital assets	0	0	214,166	214,166
Insurance proceeds	50,000	50,000	32,140	(17,860)
Total other financing sources and uses	<u>\$ 3,199,745</u>	<u>\$ 1,813,593</u>	<u>\$ 2,195,306</u>	<u>\$ 381,713</u>
Net change in fund balances	<u>\$ (49,570,541)</u>	<u>\$ (68,140,904)</u>	<u>\$ (10,338,655)</u>	<u>\$ 57,802,249</u>
Fund balances - beginning	91,905,562	91,905,562	91,905,562	0
Increase in non-spendable	0	0	4,293	4,293
Fund balances - ending	<u>\$ 42,335,021</u>	<u>\$ 23,764,658</u>	<u>\$ 81,571,200</u>	<u>\$ 57,806,542</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, 2013

	<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	\$ 37,324,271	\$ 46,914,154	\$ 25,059,736	\$ (21,854,418)
Charges for services	243,489	243,489	75,904	(167,585)
Miscellaneous revenues	4,695	4,695	460,374	455,679
Total revenues	\$ 37,572,455	\$ 47,162,338	\$ 25,596,014	\$ (21,566,324)
EXPENDITURES				
Current:				
General government	\$ 642,087	\$ 902,957	\$ 666,661	\$ 236,296
Public safety	884,102	1,772,606	1,324,104	448,502
Physical environment	6,763,115	9,004,713	4,643,399	4,361,314
Transportation	11,610,445	12,835,225	5,474,985	7,360,240
Economic environment	9,696,610	11,424,673	8,632,273	2,792,400
Human services	3,225,057	4,124,779	3,085,246	1,039,533
Culture and recreation	643,376	1,001,932	774,801	227,131
Intergovernmental	2,626,552	4,341,000	1,698,058	2,642,942
Total expenditures	\$ 36,091,344	\$ 45,407,885	\$ 26,299,527	\$ 19,108,358
Excess (deficiency) of revenues over (under) expenditures	\$ 1,481,111	\$ 1,754,453	\$ (703,513)	\$ (2,457,966)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 690,243	\$ 809,812	\$ 582,098	\$ (227,714)
Transfers out	(300,000)	(300,000)	(300,000)	0
Insurance proceeds	0	0	5,104	5,104
Total other financing sources and uses	\$ 390,243	\$ 509,812	\$ 287,202	\$ (222,610)
Net change in fund balances	\$ 1,871,354	\$ 2,264,265	\$ (416,311)	\$ (2,680,576)
Fund balances - beginning	(3,338,089)	(3,338,089)	(3,338,089)	0
Fund balances - ending	\$ (1,466,735)	\$ (1,073,824)	\$ (3,754,400)	\$ (2,680,576)

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, 2013

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 36,464,955	\$ 13,439,040
Cash with escrow and paying agent	0	0
Accounts receivable (net of allowance for uncollectibles)	462,533	167,045
Accrued interest receivable	100,801	21,019
Due from other funds	63,285	130,659
Due from other governmental units	0	3,942,876
Prepaid items	1,000,380	0
Inventories	235,414	785,381
Restricted assets:		
Cash and cash equivalents	30,578,605	386,780
Total current assets	<u>\$ 68,905,973</u>	<u>\$ 18,872,800</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 27,153,310	\$ 3,511,545
Buildings and structures	26,595,169	20,673,679
Infrastructure	10,916,482	7,780,370
Improvements to land	2,804,036	0
Improvements other than buildings	18,403,695	238,331,585
Machinery and equipment	20,692,495	10,910,597
Goodwill	0	0
Construction in progress	10,957,642	3,305,500
Less accumulated depreciation	(36,446,545)	(166,445,628)
Advances to other funds	276,103	1,212,218
Advances to component units	0	0
Unamortized bond insurance	0	0
Total noncurrent assets	<u>\$ 81,352,387</u>	<u>\$ 119,279,866</u>
Total assets	<u>\$ 150,258,360</u>	<u>\$ 138,152,666</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	<u>\$ 0</u>	<u>\$ 0</u>

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water & Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 1,588,976	\$ 10,317,839	\$ 61,810,810	\$ 48,182,543
0	0	0	1,224,832
168,010	43,166	840,754	178,568
2,296	15,577	139,693	71,928
0	0	193,944	1,114,349
0	1,391,685	5,334,561	9,914
0	0	1,000,380	1,744,082
86,279	70,684	1,177,758	0
1,011,911	0	31,977,296	0
<u>\$ 2,857,472</u>	<u>\$ 11,838,951</u>	<u>\$ 102,475,196</u>	<u>\$ 52,526,216</u>
\$ 5,102,165	\$ 2,171,899	\$ 37,938,919	\$ 0
1,339,186	4,804,617	53,412,651	0
0	0	18,696,852	0
0	7,837,002	10,641,038	0
14,497,306	143,732	271,376,318	0
353,563	20,695,021	52,651,676	7,153,258
940,130	0	940,130	0
195,704	1,117,317	15,576,163	0
(9,851,953)	(20,735,696)	(233,479,822)	(5,236,987)
0	0	1,488,321	0
0	0	0	43,912
77,240	0	77,240	0
<u>\$ 12,653,341</u>	<u>\$ 16,033,892</u>	<u>\$ 229,319,486</u>	<u>\$ 1,960,183</u>
<u>\$ 15,510,813</u>	<u>\$ 27,872,843</u>	<u>\$ 331,794,682</u>	<u>\$ 54,486,399</u>
\$ 0	\$ 20,707	\$ 20,707	\$ 0

BREVARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2013

	<i>Business-type</i>	
	<u>Solid Waste Management Department</u>	<u>Water Resources Department</u>
LIABILITIES		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 1,429,996	\$ 882,729
Claims payable	0	0
Due to other funds	0	28,447
Due to other governmental units	38,177	0
Accrued interest payable	0	1,843
Customer deposits	328,717	386,780
Accrued compensated absences	46,774	110,618
Revenue bonds	0	0
Notes payable	0	0
Leases payable	0	0
Total current liabilities	<u>\$ 1,843,664</u>	<u>\$ 1,410,417</u>
Noncurrent liabilities:		
Revenue bonds payable (net of unamortized discounts)	\$ 0	\$ 0
Notes payable	0	0
Leases payable	0	0
Advances from other funds	0	0
Claims payable	0	0
Landfill closure and postclosure care	32,837,514	0
Accrued compensated absences	596,684	490,786
Other postemployment benefits	1,009,510	1,008,246
Total noncurrent liabilities	<u>\$ 34,443,708</u>	<u>\$ 1,499,032</u>
Total liabilities	<u>\$ 36,287,372</u>	<u>\$ 2,909,449</u>
NET POSITION		
Net investment in capital assets	\$ 81,076,284	\$ 118,067,648
Restricted for:		
Debt service	0	0
Landfill closure and postclosure	30,249,888	0
Unrestricted	2,644,816	17,175,569
Total net position	<u>\$ 113,970,988</u>	<u>\$ 135,243,217</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>Barefoot Bay Water & Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	<i>Activities- Internal Service Funds</i>
\$ 271,921	\$ 1,637,134	\$ 4,221,780	\$ 784,377
0	0	0	7,756,012
60,981	51,000	140,428	0
0	78,297	116,474	0
337,811	33,944	373,598	0
52,750	0	768,247	0
6,417	51,445	215,254	70,012
532,000	710,204	1,242,204	0
0	207,000	207,000	0
0	0	0	120,177
<u>\$ 1,261,880</u>	<u>\$ 2,769,024</u>	<u>\$ 7,284,985</u>	<u>\$ 8,730,578</u>
\$ 13,293,554	\$ 2,949,288	\$ 16,242,842	\$ 0
0	828,000	828,000	0
0	0	0	251,450
660,000	0	660,000	0
0	0	0	8,959,805
0	0	32,837,514	0
71,089	397,974	1,556,533	256,392
93,720	657,545	2,769,021	313,330
<u>\$ 14,118,363</u>	<u>\$ 4,832,807</u>	<u>\$ 54,893,910</u>	<u>\$ 9,780,977</u>
<u>\$ 15,380,243</u>	<u>\$ 7,601,831</u>	<u>\$ 62,178,895</u>	<u>\$ 18,511,555</u>
\$ (1,249,453)	\$ 11,360,107	\$ 209,254,586	\$ 1,544,644
165,810	0	165,810	0
0	0	30,249,888	0
1,214,213	8,931,612	29,966,210	34,430,200
<u>\$ 130,570</u>	<u>\$ 20,291,719</u>	<u>\$ 269,636,494</u>	<u>\$ 35,974,844</u>
		2,940,173	
		<u>\$ 272,576,667</u>	

BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Operating revenues:		
Service fees	\$ 24,439,224	\$ 26,391,392
Less cost of goods sold	0	0
Total operating revenues	\$ 24,439,224	\$ 26,391,392
Operating expenses:		
Wages and benefits	\$ 7,644,635	\$ 7,673,230
Repair, maintenance, and other services	5,362,158	9,804,525
Materials and supplies	3,777,170	1,378,056
Landfill closure and postclosure care	2,698,956	0
Depreciation	4,435,517	4,761,893
Insurance claims expense	0	0
Total operating expenses	\$ 23,918,436	\$ 23,617,704
Operating income (loss)	\$ 520,788	\$ 2,773,688
Nonoperating revenues (expenses):		
Income on investments	\$ 314,423	\$ 62,414
Interest expense	0	(33,751)
Miscellaneous revenue	308,014	84,638
Grants and matching funds	0	1,494
Gain (loss) on disposal of capital assets	(480,465)	(89,613)
Bond insurance amortization	0	0
Total nonoperating revenues (expenses)	\$ 141,972	\$ 25,182
Income (loss) before contributions and transfers	\$ 662,760	\$ 2,798,870
Capital contributions	347,512	1,759,276
Transfers in	0	0
Transfers out	(1,584,157)	(1,762,327)
Change in net position	\$ (573,885)	\$ 2,795,819
Net position - beginning	\$ 114,544,873	\$ 132,447,398
Restatement of net position due to implementation of GASB Nos. 63 and 65	0	0
Net position - beginning, restated	\$ 114,544,873	\$ 132,447,398
Net position - ending	\$ 113,970,988	\$ 135,243,217

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.

<u>Activities - Enterprise Funds</u>			<u>Governmental</u>
<u>Barefoot Bay</u>	<u>Other</u>		<u>Activities-</u>
<u>Water & Sewer</u>	<u>Business-type</u>		<u>Internal</u>
<u>District</u>	<u>Activities</u>	<u>Total</u>	<u>Service</u>
			<u>Funds</u>
\$ 3,255,398	\$ 15,833,952	\$ 69,919,966	\$ 55,587,128
0	(99,217)	(99,217)	0
<u>\$ 3,255,398</u>	<u>\$ 15,734,735</u>	<u>\$ 69,820,749</u>	<u>\$ 55,587,128</u>
\$ 882,799	\$ 5,085,748	\$ 21,286,412	\$ 3,651,903
704,182	16,987,829	32,858,694	9,453,550
134,475	2,413,434	7,703,135	127,031
0	0	2,698,956	0
861,812	2,863,844	12,923,066	457,378
0	0	0	48,397,507
<u>\$ 2,583,268</u>	<u>\$ 27,350,855</u>	<u>\$ 77,470,263</u>	<u>\$ 62,087,369</u>
<u>\$ 672,130</u>	<u>\$ (11,616,120)</u>	<u>\$ (7,649,514)</u>	<u>\$ (6,500,241)</u>
\$ 8,590	\$ 70,350	\$ 455,777	\$ 185,228
(704,902)	(123,671)	(862,324)	(14,649)
30,695	235,793	659,140	2,045,388
0	7,058,773	7,060,267	0
0	153,928	(416,150)	(4,256)
(8,420)	0	(8,420)	0
<u>\$ (674,037)</u>	<u>\$ 7,395,173</u>	<u>\$ 6,888,290</u>	<u>\$ 2,211,711</u>
<u>\$ (1,907)</u>	<u>\$ (4,220,947)</u>	<u>\$ (761,224)</u>	<u>\$ (4,288,530)</u>
338	1,659,908	3,767,034	1,253
0	2,102,712	2,102,712	2,094,685
(110,451)	(529,189)	(3,986,124)	0
<u>\$ (112,020)</u>	<u>\$ (987,516)</u>	<u>\$ 1,122,398</u>	<u>\$ (2,192,592)</u>
<u>\$ 367,656</u>	<u>\$ 21,287,505</u>		<u>\$ 38,167,436</u>
(125,066)	(8,270)		0
<u>\$ 242,590</u>	<u>\$ 21,279,235</u>		<u>\$ 38,167,436</u>
<u>\$ 130,570</u>	<u>\$ 20,291,719</u>		<u>\$ 35,974,844</u>
		(475,930)	
		<u>\$ 646,468</u>	

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Business-type Activities -</i>	
	<u><i>Solid Waste Management Department</i></u>	<u><i>Water Resources Department</i></u>
Cash flows from operating activities:		
Cash receipts for service fees	\$ 24,429,802	\$ 26,377,694
Cash receipts from other sources	320,027	(342,768)
Cash payments to employees for services	(7,630,343)	(7,686,012)
Cash payments to suppliers for goods and services	(9,251,425)	(11,263,427)
Cash payments for insurance claims	0	0
Net cash from operating activities	<u>\$ 7,868,061</u>	<u>\$ 7,085,487</u>
Cash flows from noncapital financing activities:		
Grant receipts	\$ 0	\$ 0
Transfers in	0	0
Transfers out	(1,584,157)	(1,762,327)
Interfund loans	1,534,513	(2,867,638)
Advances to component units	0	0
Net cash flows from noncapital financing activities	<u>\$ (49,644)</u>	<u>\$ (4,629,965)</u>
Cash flows from capital and related financing activities:		
Debt proceeds	\$ 0	\$ 0
Principal payments	0	0
Interest payments	0	(33,751)
Capital grant receipts	0	0
Payments to acquire, construct, or improve capital assets	(10,332,751)	(3,025,031)
Proceeds from disposal of capital assets	142,702	15,337
Impact/connection fees for capital purposes	357,436	1,723,550
Net cash flows from capital and related financing activities	<u>\$ (9,832,613)</u>	<u>\$ (1,319,895)</u>
Cash flows from investing activities:		
Interest on investments	<u>\$ 312,344</u>	<u>\$ 54,269</u>
Net increase (decrease) in cash and cash equivalents	\$ (1,701,852)	\$ 1,189,896
Cash and cash equivalents, October 1, 2012	68,745,412	12,635,924
Cash and cash equivalents, September 30, 2013	<u>\$ 67,043,560</u>	<u>\$ 13,825,820</u>

<i>Enterprise Funds</i>			<i>Governmental</i>
<i>Barefoot Bay</i>	<i>Other</i>		<i>Activities-</i>
<i>Water & Sewer</i>	<i>Business-type</i>	<i>Total</i>	<i>Internal</i>
<i>District</i>	<i>Activities</i>		<i>Service Funds</i>
\$ 3,267,228	\$ 15,797,433	\$ 69,872,157	\$ 55,654,357
30,408	225,049	232,716	1,914,197
(881,704)	(5,089,472)	(21,287,531)	(3,693,216)
(758,438)	(19,723,390)	(40,996,680)	(9,855,973)
0	0	0	(48,169,621)
<u>\$ 1,657,494</u>	<u>\$ (8,790,380)</u>	<u>\$ 7,820,662</u>	<u>\$ (4,150,256)</u>
\$ 0	\$ 7,538,810	\$ 7,538,810	\$ 0
0	2,102,712	2,102,712	2,094,685
(110,451)	(529,189)	(3,986,124)	0
(60,000)	(166,152)	(1,559,277)	1,519,647
0	0	0	(43,912)
<u>\$ (170,451)</u>	<u>\$ 8,946,181</u>	<u>\$ 4,096,121</u>	<u>\$ 3,570,420</u>
\$ 0	\$ 1,035,000	\$ 1,035,000	\$ 0
(510,000)	(793,038)	(1,303,038)	(116,840)
(712,768)	(124,240)	(870,759)	(14,649)
0	1,659,570	1,659,570	0
(333,424)	(2,399,309)	(16,090,515)	(1,055,344)
0	154,786	312,825	342
338	0	2,081,324	0
<u>\$ (1,555,854)</u>	<u>\$ (467,231)</u>	<u>\$ (13,175,593)</u>	<u>\$ (1,186,491)</u>
\$ 5,498	\$ 68,597	\$ 440,708	\$ 180,659
\$ (63,313)	\$ (242,833)	\$ (818,102)	\$ (1,585,668)
2,664,200	10,560,672	94,606,208	50,993,043
<u>\$ 2,600,887</u>	<u>\$ 10,317,839</u>	<u>\$ 93,788,106</u>	<u>\$ 49,407,375</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Business-type Activities -</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	\$ 520,788	\$ 2,773,688
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation expense	\$ 4,435,517	\$ 4,761,893
Landfill closure and postclosure care	2,698,956	0
Miscellaneous revenue	308,014	84,638
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	19,906	(2,120)
(Increase) decrease in due from other funds	(28,447)	0
(Increase) decrease in due from other governmental units	0	(24,472)
(Increase) decrease in inventories	6,641	15,279
(Increase) decrease in allowance for uncollectible accounts	(14,147)	0
(Increase) decrease in prepaid items	(389,859)	0
Increase (decrease) in customer deposits	(9,314)	(406,795)
Increase (decrease) in accrued compensated absences	5,856	(13,258)
Increase (decrease) in other postemployment benefits	62,441	60,635
Increase (decrease) vouchers and contracts payable	213,532	(192,448)
Increase (decrease) in claims payable	0	0
Increase (decrease) in unearned revenue	0	0
Increase (decrease) in due to other funds	0	28,447
Increase (decrease) in due to other governmental units	38,177	0
Total adjustment	\$ 7,347,273	\$ 4,311,799
Net cash from operating activities	\$ 7,868,061	\$ 7,085,487
Noncash investing, capital and financing activities:		
Capital contributed by developers, individuals, and governmental entities	\$ 0	\$ 35,800
Fair value of traded in capital assets added to the value of new assets	\$ 325,000	\$ 0

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

<i>Enterprise Funds</i>			<i>Governmental</i>
<i>Barefoot Bay Water & Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	<i>Activities- Internal Service Funds</i>
\$ 672,130	\$ (11,616,120)	\$ (7,649,514)	\$ (6,500,241)
\$ 861,812	\$ 2,863,844	\$ 12,923,066	\$ 457,378
0	0	2,698,956	0
30,695	235,793	659,140	2,045,388
11,769	6,342	35,897	(131,949)
0	(434)	(28,881)	(8,735)
0	33,751	9,279	2,348
3,738	(3,144)	22,514	0
0	(6,773)	(20,920)	0
0	0	(389,859)	(184,799)
(460)	0	(416,569)	0
913	(3,350)	(9,839)	(57,631)
6,558	41,341	170,975	25,281
70,339	(391,967)	(300,544)	54,917
0	0	0	308,961
0	(20,000)	(20,000)	0
0	0	28,447	(25,276)
0	70,337	108,514	(135,898)
<u>\$ 985,364</u>	<u>\$ 2,825,740</u>	<u>\$ 15,470,176</u>	<u>\$ 2,349,985</u>
<u>\$ 1,657,494</u>	<u>\$ (8,790,380)</u>	<u>\$ 7,820,662</u>	<u>\$ (4,150,256)</u>
<u>\$ 0</u>	<u>\$ 338</u>	<u>\$ 36,138</u>	<u>\$ 1,253</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 325,000</u>	<u>\$ 0</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2013

	<i>Agency Funds</i>
	<u> </u>
ASSETS	
Cash	\$ 28,581,733
Accounts receivable	507,832
Accrued interest receivable	660
Due from other governmental units	<u>131,959</u>
Total assets	<u><u>\$ 29,222,184</u></u>
LIABILITIES	
Due to employees, individuals, and others	\$ 8,415,525
Due to other governmental units	3,992,522
Escrow and refundable deposits	<u>16,814,137</u>
Total liabilities	<u><u>\$ 29,222,184</u></u>

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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 those units are combined with data of the primary government. The Board of County Commissioners (Board) serves as the governing body for the following component units: the Brevard County Free Public Library District (created by Chapter 72-480, Laws of Florida), the Brevard County Mosquito Control District (created by Chapter 18437, Laws of Florida), the County Special Recreation District IV (created by Chapters 61-1909 and 71-544, Laws of Florida), the North Brevard Recreation Special District (created by County Ordinance 2000-53), and the South Brevard Recreation Special District (created by County Ordinance 2000-53). These component units are reported as governmental funds. The Board serves as the governing body of the Barefoot Bay Water & Sewer District (created by County Ordinance 99-17), which is reported as an Enterprise Fund. Discretely presented component units are reported in a separate column, in the government-wide financial statements, to emphasize their legal separation from Brevard County. The reporting period for each component unit ends on September 30th.

Discretely Presented Component Units

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

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

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

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

Brevard County Housing Finance Authority - The Housing Finance Authority was created pursuant to Chapter 159, Part V, Florida Statutes, and County Ordinance 79-09, for the specific purpose of alleviating a shortage of housing and capital for investment in housing in Brevard County. The members of the Housing Finance Authority board are appointed by the Board of County Commissioners (Board) and can be removed, without cause, by a three-fifths vote of the Board. The Housing Finance Authority is presented as a proprietary fund type. Revenue bonds issued by the Housing Finance Authority do not constitute indebtedness of the Board, the Housing Finance Authority, or the State, and are secured solely by mortgage loans and interest earnings therein. Accordingly, such obligations are not included within the accompanying financial statements.

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

The A. Max Brewer Memorial Law Library, Brevard County Expressway Authority, and Brevard County Health Facilities Authority, are considered blended component units and reported no revenues or expenditures for the period ended September 30, 2013.

Related Organizations

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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

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

The government-wide financial statements, as well as the proprietary and fiduciary fund financial statements, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred. Proprietary funds distinguish between operating and nonoperating revenues and expenses. Operating revenues generally result from producing and delivering goods or providing services, such as water, sewer, and garbage services, to the general public. Operating expenses for these operations include the costs of sales and services, administrative expenses and depreciation. All revenues and expenses not meeting the definition of operating are reported as nonoperating revenues and expenses, except for capital contributions, which are presented separately.

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

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

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments are recorded only when payment is due.

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

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

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

Spendable Fund Balance:

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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

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

The following are reported as major governmental funds:

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

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

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

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

The following are reported as major enterprise funds:

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

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

Barefoot Bay Water & Sewer District - The Barefoot Bay Water & Sewer District Enterprise Fund is used to account for service charge revenues and expenses associated with the provision of water/wastewater services to the Barefoot Bay area of Brevard County, in accordance with County Ordinance 99-17.

The County also reports the following fund types:

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

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

D. Budget

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

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

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

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

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

The Board of County Commissioners may amend the budget during the fiscal year. These amendments must be adopted in accordance with the same laws that governed the adoption of the original budget.

Pursuant to Section 129.07, Florida Statutes, it is unlawful to expend or contract for the expenditure in any fiscal year for more than the amount budgeted in each fund. The legal level of budgetary control is at the functional level within each fund as adopted through the Board's Budget and Financial Policy. The Board, pursuant to Section 129.06, Florida Statutes, may amend the original budget during the fiscal year or within sixty (60) days after the end of the fiscal year. The Board has delegated authority to the County Manager to authorize interdepartmental and line item transfers up to \$100,000.

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

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

Budget amendments totaling \$95,419,882 were enacted during the fiscal year primarily due to the issuance of capital bonds for construction and capital equipment, refinancing of bonds, authorizing the appropriation of proceeds from grant revenues, and unbudgeted cash balances.

BREVARD COUNTY, FLORIDA
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E. Interfund Receivables and Payables

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

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

F. Capital Assets

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

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

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

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

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

Capital assets of the County are depreciated using the straight line method over the following estimated useful lives:

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

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

G. Unbilled Service Revenues

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

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I. Inventory and Prepaid Items

Inventory is valued at cost. Cost is determined for all departments' fleet inventory using the moving average method. All other inventories are valued using the first-in, first-out (FIFO) method.

Inventory in the General and Special Revenue Funds consists of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when purchased. Inventory remaining at year-end is presented as non-spendable fund balance.

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide Statement of Net Position. In the governmental funds' Statement of Revenues, Expenditures and Changes in Fund Balances, prepaid items are included in expenditures for the current period, when purchased, with the exception of prepaid items purchased by the Clerk of the Circuit Court which are recorded as expenditures when consumed.

J. Cash and Cash Equivalents

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

K. Investments

Investments include non-pooled investments and certificates of deposit with original maturities of three months or greater. Investments are valued at fair value in accordance with GASB No. 31. Investments, and income from investments owned by individual funds, are recorded in the respective funds. The County maintains a consolidated account to maximize investment yields. Investment income, resulting from pooling of investments within the consolidated account, is allocated based on the cash balances for the respective funds.

L. Deferred Outflows/Inflows of Resources

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

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

M. Accrued Compensated Absences

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

N. Property Taxes

Property taxes are levied on property values as of January 1. Property taxes are due and payable as of November 1 and become delinquent on April 1. A tax certificate sale is held at the end of May on all delinquent real estate taxes, and a lien is placed on the property.

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

O. Unamortized Bond Insurance

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

P. Amortization of Discount and Premium on Bonds

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

Q. Reserves of Net Position

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

R. Use of Estimates

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

2. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$(318,035,190) difference are as follows:

Bonds and revenue notes payable	\$(255,858,508)
Less: Discounts (to be amortized as interest expense)	71
Plus: Premiums (to be amortized as interest expense)	(2,825,321)
Deferred charge on refunding (to be amortized as interest expense)	3,761,795
Accrued interest payable	(1,959,777)
Leases payable	(34,696)
Notes payable	(10,782,000)
Accrued compensated absences	(26,795,226)
Intergovernmental payable	(346,566)
Other postemployment benefits	(23,194,962)
Net adjustment to <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$(318,035,190)</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that, “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense.”

The details of this \$21,430,596 difference are as follows:

Capital outlay	\$ 51,510,901
Depreciation expense	<u>(30,080,305)</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>\$ 21,430,596</u>

Another element of the reconciliation states that, “the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.” The details of this \$1,302,172 difference are as follows:

In the statement of activities, only the <i>gain</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.	\$ (125,382)
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>1,427,554</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>\$ 1,302,172</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 \$9,415,045 difference are as follows:

Issuance of bonds	\$(39,770,000)
Issuance of notes payable	(10,782,000)
Principal repayments:	
Bonds	19,149,964
Capital lease	45,116
Revenue notes payable	1,050,000
Intergovernmental payable	86,641
Bond refunding payment	<u>39,635,324</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>\$ 9,415,045</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 \$(2,850,658) difference are as follows:

Accrued compensated absences	\$(1,793,260)
Other postemployment benefits	(1,197,083)
Accrued interest	266,067
Amortization of deferred charge on refunding	(547,793)
Amortization of bond discounts/premium	<u>421,411</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>\$(2,850,658)</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, 2013, is as follows:

	General Fund	Emergency Services	Brevard County Transportation Trust	Grants	Other Governmental Funds	Total
Non-spendable:						
Advances	\$ 0	\$ 0	\$ 0	\$ 0	\$ 276,024	\$ 276,024
Inventory	3,173,780	1,087,505	39,686	0	1,974,748	6,275,719
Prepays/deposits	439,649	986,268	0	0	104,140	1,530,057
Total non-spendable fund balance	\$ 3,613,429	\$ 2,073,773	\$ 39,686	\$ 0	\$ 2,354,912	\$ 8,081,800
Restricted:						
Impact fees	\$ 0	\$ 1,166,516	\$ 18,172,974	\$ 0	\$ 9,889,449	\$ 29,228,939
Fire rescue operations	0	13,795,239	0	0	0	13,795,239
Emergency communications	0	5,781,045	0	0	0	5,781,045
Road maintenance and improvements	0	0	60,514,754	0	12,538,082	73,052,836
Parks and recreation	0	0	0	0	19,911,866	19,911,866
Bond covenants or debt service	0	0	1,528,155	0	4,983,551	6,511,706
Tourism promotion and development	0	0	0	0	20,846,620	20,846,620
Court records and judicial	0	0	0	0	904,750	904,750
Building code compliance	0	0	0	0	1,395,688	1,395,688
Law enforcement	0	0	0	0	2,438,197	2,438,197
Mosquito control	0	0	0	0	4,687,739	4,687,739
Libraries	0	0	0	0	4,082,611	4,082,611
Fines and court costs	0	0	0	0	2,844,154	2,844,154
Housing and human services	0	0	0	0	1,116,737	1,116,737
Total restricted fund balance	\$ 0	\$ 20,742,800	\$ 80,215,883	\$ 0	\$ 85,639,444	\$ 186,598,127
Committed:						
General capital facilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,305,031	\$ 3,305,031
Total committed fund balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,305,031	\$ 3,305,031
Assigned:						
Road maintenance and improvements	\$ 0	\$ 0	\$ 1,315,631	\$ 0	\$ 0	\$ 1,315,631
Ambulance services	0	450,000	0	0	0	450,000
Parks and recreation	3,529,873	0	0	0	0	3,529,873
Emergency management	56,340	0	0	0	0	56,340
Court and judicial	295,351	0	0	0	0	295,351
Emergency communications	1,267,042	0	0	0	0	1,267,042
Permitting and engineering	883,955	0	0	0	0	883,955
Environment	596,961	0	0	0	0	596,961
Airport	206,714	0	0	0	0	206,714
Animal services	5,926	0	0	0	0	5,926
Housing and human services	180,451	0	0	0	0	180,451
Capital purchase	4,385,044	0	0	0	0	4,385,044
General capital facilities	0	0	0	0	95,957	95,957
Total assigned fund balance	\$ 11,407,657	\$ 450,000	\$ 1,315,631	\$ 0	\$ 95,957	\$ 13,269,245
Unassigned fund balance	\$ 21,428,129	\$ 0	\$ 0	\$ (3,754,400)	\$ 0	\$ 17,673,729
Total fund balances	\$ 36,449,215	\$ 23,266,573	\$ 81,571,200	\$ (3,754,400)	\$ 91,395,344	\$ 228,927,932

4. Cash - Monies available within various funds were consolidated for investment purposes. The amount of public funds invested is discussed in Note 5. Substantially all operating cash at September 30, 2013, was invested utilizing the pooled investment concept. Interest earned was allocated to the various funds based on

BREVARD COUNTY, FLORIDA
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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 .38% to .46%.

Cash with escrow and paying agent of \$1,224,832 is accounted for in the Internal Service Funds as an insurance reserve balance required by the County's insurance providers.

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

The investing of public funds with the State Board of Administration (SBA) - Local Government Surplus Funds Trust Fund - is governed by Section 218.407, Florida Statutes. The SBA is under the regulatory oversight of the State of Florida. This investment pool consists largely of corporate notes and commercial paper.

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

The SBA Pool B participants are prohibited from withdrawing any amount from Pool B. As securities mature in Pool B, funds are transferred to Florida Prime at which time the funds are available to withdraw without any restrictions. The weighted average days to maturity of Florida Prime was 44 days, while the weighted average life of Fund B was 4.04 years, as of September 30, 2013.

On September 30, 2013 the County had \$3,825,050 invested in Florida Prime and \$3,149,090 remaining in Pool B, with a fair value of \$3,566,731.

Custodial Risk

The bank amount of the County's demand deposits was \$79,768,890 at September 30, 2013. The demand deposits are insured by the FDIC up to \$250,000 per entity. Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Deposits Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the County pursuant to Section 280.08, Florida Statutes. Corporate notes, U.S. Treasury notes and all federal agency obligations are held by the County's agent in the County's name.

Credit Risk

Concentration of credit risk is the risk of loss attributable to a government's investment in a single issuer. To limit concentration of credit risk, the County's policy restricts the amount that is allowed to be invested in any one issuer. Federal instrumentalities are limited to no more than 25% per issuer. Corporate Notes and Commercial Paper are limited to 5% per issuer. Investments in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corp., and Federal National Mortgage Association represented 3%, 9%, 12%, and 7% respectively, of the County's total investments.

Credit quality risk results from the potential default of investments that are not financially sound. The County's policy requires that Corporate Notes must have a rating, of at least, in the category "A" by Moody's and "A" by Standard & Poor's. Commercial Paper must have a rating of, at least, "Prime 1" by Moody's and "A-1" by Standard & Poor's. The Corporate Notes currently held in the portfolio have a Standard & Poor's rating of A and the Commercial Paper has an A-1 rating by Standard & Poor's. The credit quality of the federal agency securities held by the County is AA+ rated by Standard & Poor's. The credit quality of the municipal bond held by the County is AA- rated by Standard & Poor's. The Local Government Surplus Funds Trust Investment Pool (Florida Prime) was rated AAAm by Standard and Poor's at September 30, 2013. The Local Government Surplus Funds Trust Fund B was not rated by a nationally recognized statistical rating agency at September 30, 2013.

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 1.22 years.

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As of September 30, 2013, the County had the following investments and maturities:

	Fair Value	Less Than 1	1-2	2-3	Over 3 Years
Corporate Note	\$ 28,000,566	\$ 0	\$ 11,047,028	\$ 16,953,538	\$ 0
Commercial Paper	5,631,952	5,631,952	0	0	0
Municipal bonds	10,397,311	10,397,311	0	0	0
Federal Farm Credit Bank	10,001,200	10,001,200	0	0	0
Federal Home Loan Bank	28,649,011	22,979,805	5,669,206	0	0
Federal Home Loan Mortgage Corp.	39,366,724	14,736,721	24,630,003	0	0
Federal National Mortgage Assn.	21,827,995	0	12,165,356	6,403,623	3,259,016
U.S. Treasury Bonds/Notes	84,927,522	0	26,535,669	58,391,853	0
Money Market Accounts	90,572,888	90,572,888	0	0	0
Total	\$ 319,375,169	\$ 154,319,877	\$ 80,047,262	\$ 81,749,014	\$ 3,259,016

The carrying amount of the discretely presented component units' deposits with financial institutions was \$7,505,535 and the bank balance was \$7,507,687, which is insured by FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes. On September 30, 2013 the component units had \$38,660 invested in Florida Prime and \$47,777 remaining in Pool B, with a fair value of \$54,088. The Housing Finance Authority (a component unit) also had investments in mortgage-backed securities with AAA rating and a weighted average maturity of 18 years. The fair value of the component units Government National Mortgage Association and Federal National Mortgage Association securities on September 30, 2013 was \$1,098,106.

6. **Receivables** - The accounts receivable for the governmental activities of \$10,875,427 are net of allowances for doubtful accounts of \$3,531,584. Charges for services are net of mandatory contractual adjustments in the amount of \$7,411,165 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 \$840,754 are net of allowances for doubtful accounts of \$113,942.

7. **Prepaid items** - The prepaid items include \$1,519,765 of premiums on insurance policies, \$1,138,864 of prepayments for purchase of major capital assets and \$2,015,860 of maintenance and service agreements and other prepayments.

8. **Capital Assets**

Capital assets activity for the year ended September 30, 2013, was as follows:

Primary Government				
Governmental Activities:	Oct. 1, 2012	Increases	Decreases	Sept. 30, 2013
Capital assets not depreciated:				
Land	\$ 242,201,747	\$ 2,287,769	\$ 82,991	\$ 244,406,525
Easements	120,256	124,960	0	245,216
Construction in progress	37,728,836	32,436,842	21,462,728	48,702,950
Total assets not depreciated	\$ 280,050,839	\$ 34,849,571	\$ 21,545,719	\$ 293,354,691
Capital assets depreciated:				
Buildings and structures	\$ 293,936,557	\$ 1,693,675	\$ 502,800	\$ 295,127,432
Infrastructure	182,556,592	10,923,281	0	193,479,873
Improvements to land	56,482,385	4,712,816	0	61,195,201
Improvements other than buildings	37,076,307	2,107,714	111,827	39,072,194
Machinery and equipment	157,018,581	22,221,799	10,935,145	168,305,235
Total assets depreciated	\$ 727,070,422	\$ 41,659,285	\$ 11,549,772	\$ 757,179,935
Less accumulated depreciation:				
Buildings and structures	\$ 71,073,590	\$ 7,930,564	\$ 502,800	\$ 78,501,354
Infrastructure	50,281,276	5,431,629	0	55,712,905
Improvements to land	15,573,064	2,655,388	0	18,228,452
Improvements other than buildings	15,015,462	2,124,509	68,921	17,071,050
Machinery and equipment	114,558,345	12,572,364	9,967,002	117,163,707
Total accumulated depreciation	\$ 266,501,737	\$ 30,714,454	\$ 10,538,723	\$ 286,677,468
Total depreciable capital assets, net	\$ 460,568,685	\$ 10,944,831	\$ 1,011,049	\$ 470,502,467
Total governmental activities capital assets, net	\$ 740,619,524	\$ 45,794,402	\$ 22,556,768	\$ 763,857,158

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Business-type Activities:	<u>Oct. 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2013</u>
Capital assets not depreciated:				
Land	\$ 37,938,919	\$ 0	\$ 0	\$ 37,938,919
Goodwill	940,130	0	0	940,130
Construction in progress	13,832,877	8,659,075	6,915,789	15,576,163
Total assets not depreciated	<u>\$ 52,711,926</u>	<u>\$ 8,659,075</u>	<u>\$ 6,915,789</u>	<u>\$ 54,455,212</u>
Capital assets depreciated:				
Buildings and structures	\$ 50,809,683	\$ 2,602,968	\$ 0	\$ 53,412,651
Infrastructure	18,696,852	0	0	18,696,852
Improvements to land	9,876,336	764,702	0	10,641,038
Improvements other than buildings	267,151,471	4,253,418	28,571	271,376,318
Machinery and equipment	52,163,201	5,688,582	5,200,107	52,651,676
Total assets depreciated	<u>\$ 398,697,543</u>	<u>\$ 13,309,670</u>	<u>\$ 5,228,678</u>	<u>\$ 406,778,535</u>
Less accumulated depreciation:				
Buildings and structures	\$ 19,679,355	\$ 1,362,927	\$ 0	\$ 21,042,282
Infrastructure	2,635,426	591,374	0	3,226,800
Improvements to land	6,616,481	428,036	0	7,044,517
Improvements other than buildings	164,470,066	5,498,950	28,571	169,940,445
Machinery and equipment	31,424,413	5,041,779	4,240,414	32,225,778
Total accumulated depreciation	<u>\$ 224,825,741</u>	<u>\$ 12,923,066</u>	<u>\$ 4,268,985</u>	<u>\$ 233,479,822</u>
Total depreciable capital assets, net	<u>\$ 173,871,802</u>	<u>\$ 386,604</u>	<u>\$ 959,693</u>	<u>\$ 173,298,713</u>
Total business-type activities capital assets, net	<u>\$ 226,583,728</u>	<u>\$ 9,045,679</u>	<u>\$ 7,875,482</u>	<u>\$ 227,753,925</u>

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

Governmental Activities:	
General government	\$ 4,645,451
Public safety	8,500,438
Physical environment	1,007,706
Transportation	6,843,538
Economic environment	139,195
Human services	476,469
Culture and recreation	8,467,508
Internal service funds	457,378
Total	<u>\$ 30,537,683</u>

The increase in accumulated depreciation for governmental activities of \$30,714,454 differs from depreciation expense of \$30,537,683 because of accumulated depreciation in the amount of \$176,771 associated with assets transferred from business-type activities.

Business-type Activities:	
Solid Waste Management Department	\$ 4,435,517
Water Resources Department	4,761,893
Barefoot Bay Water & Sewer District	861,812
Space Coast Area Transit	2,410,342
Brevard County Golf Courses	453,502
Total	<u>\$ 12,923,066</u>

BREVARD COUNTY, FLORIDA
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Component Units	Oct. 1, 2012	Increases	Decreases	Sept. 30, 2013
Titusville-Cocoa Airport Authority				
Capital assets not depreciated:				
Land	\$ 14,204,818	\$ 0	\$ 0	\$ 14,204,818
Construction in progress	1,988,896	4,874,065	2,480,812	4,382,149
Total assets not depreciated	<u>\$ 16,193,714</u>	<u>\$ 4,874,065</u>	<u>\$ 2,480,812</u>	<u>\$ 18,586,967</u>
Capital assets depreciated:				
Buildings and structures	\$ 20,871,588	\$ 151,862	\$ 0	\$ 21,023,450
Improvements to land	489,995	972,471	0	1,462,466
Improvements other than buildings	21,275,754	1,360,042	0	22,635,796
Machinery and equipment	2,779,249	17,763	0	2,797,012
Total assets depreciated	<u>\$ 45,416,586</u>	<u>\$ 2,502,138</u>	<u>\$ 0</u>	<u>\$ 47,918,724</u>
Less accumulated depreciation:				
Buildings and structures	\$ 6,971,714	\$ 575,660	\$ 0	\$ 7,547,374
Improvements to land	283,404	11,420	0	294,824
Improvements other than buildings	8,197,271	665,742	0	8,863,013
Machinery and equipment	2,038,857	171,922	0	2,210,779
Total accumulated depreciation	<u>\$ 17,491,246</u>	<u>\$ 1,424,744</u>	<u>\$ 0</u>	<u>\$ 18,915,990</u>
Total depreciable capital assets, net	<u>\$ 27,925,340</u>	<u>\$ 1,077,394</u>	<u>\$ 0</u>	<u>\$ 29,002,734</u>
Total governmental activities capital assets, net	<u>\$ 44,119,054</u>	<u>\$ 5,951,459</u>	<u>\$ 2,480,812</u>	<u>\$ 47,589,701</u>

9. Construction and Other Significant Commitments - At September 30, 2013, the County had several uncompleted construction contracts and other contractual commitments as follows:

Project Title	Remaining committed
General government	\$ 2,819,885
Mosquito control	6,346,541
Road projects	3,379,948
Surface water improvement	2,134,300
Transit services	2,708,963
Tourism/Beach renourishment	5,489,349
Total	<u>\$ 22,878,986</u>

Merritt Island Redevelopment Agency, a component unit, had uncompleted contractual commitments of \$928,961 at September 30, 2013.

The County executed agreements to accept the donation of land, public safety facilities, and cash in return for reimbursing the developer from future impact fees generated by building activity. The cash is to build a causeway interchange and improve the transportation network. On March 5, 2009, the County suspended transportation impact fees under Ordinance 09-08E. The Ordinance will sunset and be repealed on December 31, 2014. Although not obligated, the County reasonably expects to assess all other impact fees. Total cost for the public safety facilities and contribution relating to the roadways construction project was \$2,320,183 and \$6,765,736, respectively.

The anticipated future payments are as follows:

Year Ended September 30	Amount
2014	\$ 48,718
2015	125,718
2016	125,718
2017	125,718
2018	125,718
After 2018	7,880,652
Total anticipated future payments	<u>\$ 8,432,242</u>

BREVARD COUNTY, FLORIDA
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10. Interfund Receivable and Payable Balances - The composition of interfund balances as of September 30, 2013, is as follows:

<u>Receivable Fund:</u>	<u>Payable Fund:</u>	<u>Amount</u>
General Fund	Emergency Services	\$ 15
	Grants	4,064,165
	Other Governmental Funds	242,793
	Other Business-type Activities	51,000
Emergency Services	General Fund	51,771
Brevard County Transportation Trust	Grants	352,767
	Other Governmental Funds	600
Nonmajor Governmental Funds	General Fund	383,074
	Grants	4,271,621
Solid Waste Management Department	General Fund	34,838
	Water Resources Department	28,447
Water Resources Department	General Fund	69,678
	Barefoot Bay Water & Sewer District	60,981
Internal Service	General Fund	<u>1,114,349</u>
Total Interfund Receivables and Payables		<u>\$10,726,099</u>

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

11. Advances To and From Other Funds - The General Fund advance from other funds represents a loan from the Solid Waste Management (\$276,103), Water Resources (\$552,218) and Surface Water Improvement (\$276,024) funds for construction of an administrative office building; the \$1,104,345 balance is not scheduled to be paid in fiscal year 2014. The Barefoot Bay Water & Sewer District advance from other funds includes a loan from the Water Resources Department (\$660,000) for the acquisition and interconnection cost of the Snug Harbor Utility System. The loan will be repaid from future revenues of the system.
12. Solid Waste Landfill Closure and Postclosure Care Costs - The County owns and operates the Sarno Road Class III landfill and the Central Disposal Facility landfill. Federal and State laws require the County to close the landfills once their capacity is reached, and to monitor and maintain the sites for thirty subsequent years. The County recognizes a portion of the closure and postclosure care costs in each operating period even though actual disbursements will not occur until the landfills are closed. The amount recognized each year to date is based on the landfill's capacity used as of the balance sheet date. The estimated costs of closure and postclosure care are subject to changes, such as the effects of inflation, revision of laws, and other variables. For the year ending September 30, 2013, the estimated costs of closure and postclosure care for the landfills increased by \$2,698,956.

The following information is for the year ending September 30, 2013:

	<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	78%	\$12,546,935	\$3,567,720	6
Central Disposal	22,712,344 cu/yds	90%	\$20,290,579	\$3,809,332	3

By state law, the County is required to accumulate assets needed for the actual payout of the closure and postclosure care costs prior to the closing of a landfill. Assets of \$30,249,888 have been restricted for this purpose within the Solid Waste Management Department Fund.

BREVARD COUNTY, FLORIDA
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13 Leases

- A. The County has entered into numerous capital lease arrangements for the purpose of acquiring operating and office equipment. The future minimum lease payments at September 30, 2013, are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Governmental</u> <u>Activities</u>
2014	\$ 166,695
2015	131,499
2016	<u>131,499</u>
Total minimum lease payments	\$ 429,693
Less amount representing interest	23,370
Present value of minimum lease payments	<u>\$ 406,323</u>

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

	<u>Governmental</u> <u>Activities</u>
Machinery and equipment	<u>\$ 707,013</u>
Accumulated depreciation	<u>\$ 214,927</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 \$914,568, and \$739,867, respectively, for the year ended September 30, 2013. The future minimum lease payments for noncancelable operating leases are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2014	\$ 855,207
2015	731,197
2016	510,340
2017	259,556
2018	186,679
2019-2023	886,930
2024-2028	102,293
2029-2031	<u>51,222</u>
Total minimum lease payable	<u>\$ 3,583,424</u>

14. Bonded and Other Indebtedness

A. Business-type Activities

\$17,135,000 2000 Utility Bonds (Barefoot Bay Utility System) - term bonds maturing October 1, 2018, are subject to mandatory redemption in amounts of \$475,000 to \$615,000 from October 1, 2013, to October 1, 2018, with interest at 5.25%; term bonds maturing October 1, 2029, are subject to mandatory redemption in amounts of \$650,000 to \$1,055,000 from October 1, 2019, to October 1, 2029, with interest at 5.00%; issued to finance the acquisition of a utility system and certain other property; payable from gross revenues of the system.

\$12,465,000

\$1,547,000 2009A Subordinated Sales Tax Revenue Bond - due in annual installments of \$57,000 to \$113,000 through December 1, 2029; interest at 4.18%; issued to fund the repair and renovation of utility improvements for the Barefoot Bay Wastewater Treatment Plant; revenue is secured by a subordinate lien on the sales tax revenues along with the covenant to budget and appropriate from legally available non ad valorem revenues; payable from revenues of the utility system.

\$1,396,000

\$1,035,000 Commercial Paper – issued as part of the Florida Local Government Finance Commission Pooled commercial paper notes program; outstanding balance due at various dates; interest, which is variable was .84% on September

BREVARD COUNTY, FLORIDA
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30, 2013; this variable rate is based on the underlying commercial paper that is purchased during the fiscal year, the interest rate ranged from .84% to 2.48%; issued to fund construction of Savannahs Golf Course irrigation project; payable from the operations of the County's golf courses.	\$1,035,000
B. <u>Governmental Activities</u>	
\$45,000,000 2005 Limited Ad Valorem Tax Bonds – annual installment of \$1,970,000 due September 1, 2014; interest at 5.00%; issued to fund the acquisition and improvement of environmentally endangered lands and water areas; payable from ad valorem tax revenues.	\$1,970,000
\$26,335,000 2013 Limited Ad Valorem Tax Refunding Bond – due in annual installments of \$310,000 to \$2,835,000 through September 1, 2024, interest at 1.93%; issued to refund all the outstanding 2005 Limited Ad Valorem Tax Bonds as of September 1, 2015, and pay certain costs of issuances; payable from ad valorem tax revenues.	\$26,335,000
\$11,300,000 2007 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$505,000 to \$775,000 through July 1, 2024; interest at 4.00% to 5.625%; term bonds maturing July 1, 2026, are subject to mandatory redemption in the amounts of \$810,000 and \$845,000 from July 1, 2025, to final maturity; interest at 4.375%; issued to finance the acquisition, development and improvement of certain parks and recreational facilities within the geographical boundary of North Brevard; payable from ad valorem tax revenues.	\$8,650,000
\$9,465,000 2011 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - bonds due in annual installments of \$875,000 to \$1,060,000 through July 1, 2021; interest at 2.85%; issued to refund all of the outstanding 2001 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds, and pay certain costs of issuance; payable from ad valorem tax revenues.	\$7,720,000
\$57,565,000 2007 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$1,815,000 to \$3,140,000 through July 1, 2026; interest at 4.00% to 5.00%; issued to finance the acquisition, development and improvement of certain parks and recreational facilities within the geographical boundary of South Brevard; payable from ad valorem tax revenues.	\$31,480,000
\$27,850,000 2011 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - bonds due in annual installments of \$2,565,000 to \$3,130,000 through July 1, 2021; interest at 2.85%; issued to refund all of the outstanding 2001 South Brevard Recreation Special District Limited Ad Valorem Tax Bonds, and pay certain cost of issuance; payable from ad valorem tax revenues.	\$22,710,000
\$13,110,000 2007 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$395,000 to \$665,000 through July 1, 2026; interest at 4.00% to 5.00%; issued to finance the acquisition, development and improvement of certain parks and recreational facilities within the Merritt Island Recreation Municipal Service Taxing Unit; payable from ad valorem tax revenues.	\$6,795,000
\$8,075,000 2011 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds - bonds due in annual installments of \$745,000 to \$905,000 through July 1, 2021; interest at 2.85%; issued to refund all of the outstanding 2001 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds and pay certain costs of issuance; payable from ad valorem tax revenues.	\$6,585,000
\$13,435,000 2013 Subordinated Sales Tax Refunding Revenue Bond - due in annual installments of \$360,000 to \$1,255,000 through December 1, 2025; interest rate 1.93%, issued to currently refund the Sales Tax Refunding and Improvement Revenue Bonds, Series 2003, and partially advance refund the Sales Tax Revenue Bonds, Series 2005; payable from the half-cent sales tax distributed to the County.	\$13,435,000

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<p>\$14,000,000 2005 Sales Tax Revenue Bonds - serial bonds due in annual installments of \$680,000 to \$710,000 through December 1, 2014; interest at 3.50% to 4.00%; issued to finance the cost of certain capital projects within the County; payable from the half-cent sales tax distributed to the County.</p>	<p>\$1,390,000</p>
<p>\$6,787,000 2009B Subordinated Sales Tax Refunding Revenue Bond - due in annual installments of \$375,000 to \$731,000 through December 1, 2018; interest at 2.93%; issued to currently refund the Second Guaranteed Entitlement Revenue Bonds, Series 1996, the Guaranteed Entitlement Revenue Bonds, Series 1999, and the Sales Tax Refunding Revenue Bonds, Series 1997; payable from the half-cent sales tax revenues distributed to the County. \$2,406,054 of the outstanding principal and any associated interest will be paid from revenues from the operation of the County's golf courses.</p>	<p>\$3,193,000</p>
<p>\$19,550,000 2010 Subordinated Sales Tax Refunding Revenue Bonds - due in annual installments of \$480,000 to \$2,915,000 through December 1, 2026; interest at 2.50%; issued to refund all of the outstanding 2001 Sales Tax Refunding and Improvement Revenue Bonds and pay certain costs of issuance; payable from the half-cent sales tax distribution to the County. \$1,253,438 of the outstanding principal and any associated interest will be paid from revenues from the operation of the County's golf courses.</p>	<p>\$14,055,000</p>
<p>\$9,475,000 2010 Non-Ad Valorem Revenue Note, - due in annual installments of \$895,000 to \$1,100,000 through December 1, 2020; interest at 2.86%; issued to refund all of the outstanding Florida Local Government Finance Commission Pooled Commercial Paper Notes, finance and refinance various capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.</p>	<p>\$7,960,000</p>
<p>\$6,000,000 2012 Non-Ad Valorem Revenue Note - due in annual installments of \$240,000 to \$390,000 through December 1, 2031; interest at 2.78%; issued to finance the cost of various capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.</p>	<p>\$5,820,000</p>
<p>\$25,525,000 2005 Constitutional Fuel Tax Revenue Refunding Bonds - due in annual installments of \$2,325,000 to \$2,990,000 through August 1, 2020; interest at 4.00% to 5.00%; issued to advance refund the outstanding Constitutional Fuel Tax Revenue Bonds, Series 2000 maturing on and after August 1, 2011; payable from constitutional fuel tax revenues.</p>	<p>\$18,620,000</p>
<p>\$48,535,000 2005 Local Option Fuel Tax Revenue Bonds - due in annual installments of \$2,000,000 to \$3,450,000 through August 1, 2026; interest at 4.00% to 5.00%; issued to finance the cost of certain transportation projects within the County; payable from local option fuel tax revenues.</p>	<p>\$34,365,000</p>
<p>\$48,435,000 2007 Local Option Fuel Tax Revenue Bonds - term bonds maturing August 1, 2029, are subject to mandatory redemption in the amounts of \$3,410,000 to \$3,760,000 from August 1, 2027, to final maturity; interest at 5.00%; term bonds maturing August 1, 2032, are subject to mandatory redemption in the amounts of \$3,945,000 to \$4,350,000 from August 1, 2030, to final maturity; interest at 5.00%; term bonds maturing August 1, 2037, are subject to mandatory redemption in the amounts of \$4,570,000 to \$5,555,000 from August 1, 2033, to final maturity; interest at 5.00%; issued to finance the cost of certain transportation projects within the County; payable from local option fuel tax revenues.</p>	<p>\$48,435,000</p>
<p>\$10,782,000 Commercial Paper - issued as part of the Florida Local Government Finance Commission Pooled Commercial Paper Notes program; outstanding balance due at various dates; interest, which is variable was .84% on September 30, 2013; this variable rate is based on the underlying commercial paper that is purchased during the fiscal year, the interest rate ranged from .84% to 2.48%; issued to fund 800 MHz Public Safety radio system upgrade, construction of T-hangars at the Valkaria Airport and purchase of helicopters for Mosquito Control; payable from the County's general revenues.</p>	<p>\$10,782,000</p>

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C. Component Units

\$2,450,000 Titusville-Cocoa Airport Authority Note - payable in equal monthly installments over 15 years; interest at 4.37%; issued to refinance its portion of the Florida Local Government Finance Commission Pooled Commercial Paper Note and to finance capital improvement projects; payable from gross revenues of the Authority. \$984,797

\$118,293 Titusville-Cocoa Airport Authority Note - payable in equal monthly installments over 15 years; interest at 2.50%; issued as part of a land swap transaction; payable from gross revenues of the Authority. \$41,651

D. Summary of Long-term Liabilities

The long-term liability activity for the year ended September 30, 2013, was as follows:

	Oct. 1, 2012	Increase	Decrease	Sept. 30, 2013	Due within one year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 119,500,000	\$ 26,335,000	\$ 33,590,000	\$ 112,245,000	\$ 9,180,000
Revenue bonds	139,800,556	13,435,000	23,402,048	129,833,508	8,513,796
Deferred amounts:					
Discounts	(4,323)	0	(4,252)	(71)	0
Premiums	3,420,606	0	595,285	2,825,321	0
Total bonds payable	\$ 262,716,839	\$ 39,770,000	\$ 57,583,081	\$ 244,903,758	\$ 17,693,796
Revenue notes	14,830,000	0	1,050,000	13,780,000	1,135,000
Commercial paper notes	0	10,782,000	0	10,782,000	1,619,000
Leases payable	568,279	0	161,956	406,323	154,873
Accrued compensated absences	25,386,005	4,696,375	2,960,750	27,121,630	3,085,004
OPEB liability	22,285,924	5,137,465	3,915,097	23,508,292	0
Claims and judgments	16,406,856	48,478,582	48,169,621	16,715,817	7,756,012
Intergovernmental payable	433,207	0	86,641	346,566	86,641
Governmental activities long-term liabilities	\$ 342,627,110	\$ 108,864,422	\$ 113,927,146	\$ 337,564,386	\$ 31,530,326
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 18,709,444	\$ 0	\$ 1,188,952	\$ 17,520,492	\$ 1,242,204
Deferred amounts:					
Discounts	(39,310)	0	(3,864)	(35,446)	0
Total bonds payable	\$ 18,670,134	\$ 0	\$ 1,185,088	\$ 17,485,046	\$ 1,242,204
Commercial paper notes	0	1,035,000	0	1,035,000	207,000
Leases payable	114,086	0	114,086	0	0
Landfill closure and postclosure care	30,138,558	2,698,956	0	32,837,514	0
Accrued compensated absences	1,781,628	1,827,632	1,837,473	1,771,787	215,254
OPEB liability	2,598,046	718,589	547,614	2,769,021	0
Business-type activities long-term liabilities	\$ 53,302,452	\$ 6,280,177	\$ 3,684,261	\$ 55,898,368	\$ 1,664,458
Component units:					
Notes payable	\$ 1,210,527	\$ 0	\$ 184,079	\$ 1,026,448	\$ 192,106
Accrued compensated absences	110,788	79,066	82,566	107,288	107,288
OPEB liability	102,252	38,454	8,509	132,197	0
Component units long-term liabilities	\$ 1,423,567	\$ 117,520	\$ 275,154	\$ 1,265,933	\$ 299,394

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Internal Service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Claims and judgments liability is liquidated by the Risk Management Internal Service fund. Accrued compensated absences liability is liquidated with resources of the same fund that has paid the applicable employee's regular salaries and fringe benefits. The intergovernmental payable liability is liquidated by the General Fund.

E. Total Annual Debt Service Requirements

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

The annual requirements to amortize all debt outstanding at September 30, 2013, are as follows:

Year Ending September 30	Governmental activities					
	General Obligation Bonds		Revenue Bonds		Commercial Paper, Notes and Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 9,180,000	\$ 3,826,927	\$ 8,513,796	\$ 5,390,484	\$ 2,908,873	\$ 438,160
2015	9,525,000	3,464,265	8,388,435	5,120,622	2,907,839	418,637
2016	9,865,000	3,150,479	6,912,729	4,839,206	2,946,611	367,292
2017	10,155,000	2,832,721	6,920,500	4,603,678	2,854,000	315,176
2018	10,490,000	2,509,236	7,187,326	4,340,386	5,576,000	252,295
2019-2023	46,850,000	7,723,214	28,465,722	17,887,180	4,640,000	676,660
2024-2028	16,180,000	1,355,972	22,000,000	13,086,996	1,645,000	323,523
2029-2033	0	0	20,770,000	8,385,500	1,490,000	84,234
2034-2038	0	0	20,675,000	2,647,750	0	0
Total	<u>\$ 112,245,000</u>	<u>\$ 24,862,814</u>	<u>\$ 129,833,508</u>	<u>\$ 66,301,802</u>	<u>\$ 24,968,323</u>	<u>\$ 2,875,977</u>

Year Ending September 30	Business-type activities				Component units	
	Revenue Bonds		Commercial Paper		Notes and Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 1,242,204	\$ 768,298	\$ 207,000	\$ 5,090	\$ 192,106	\$ 40,331
2015	1,386,565	719,318	207,000	6,059	200,526	31,892
2016	1,215,271	669,556	207,000	4,275	209,257	23,119
2017	1,109,500	622,667	207,000	2,044	218,436	13,959
2018	1,153,674	576,020	207,000	746	206,123	4,343
2019-2023	4,305,278	2,240,998	0	0	0	0
2024-2028	4,827,000	1,177,207	0	0	0	0
2029-2030	2,281,000	113,593	0	0	0	0
Total	<u>\$ 17,520,492</u>	<u>\$ 6,887,657</u>	<u>\$ 1,035,000</u>	<u>\$ 18,214</u>	<u>\$ 1,026,448</u>	<u>\$ 113,644</u>

15. Intergovernmental payable – During fiscal year 2012, the County entered into a payment arrangement to reimburse for past Medicaid claims in the amount of \$433,207. The outstanding balance as of September 30, 2013 was \$346,566.

16. Current and Advance Refunding of Debt

A. During fiscal year ended September 30, 2013, the County completed a current refunding of the outstanding Sales Tax Refunding and Improvement Revenue Bonds, Series 2003, and a partial advance refunding of the outstanding Sales Tax Revenue Bonds, Series 2005, to effect an overall reduction in debt service. The current and partial advance refunding was financed through sinking fund contribution and the issuance of \$13,435,000 Subordinated Sales Tax Refunding Revenue Bond, Series 2013. The net proceeds were deposited into an irrevocable escrow account and invested at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded bonds were defeased and the County's obligation on the refunded debt was satisfied. The refunding transaction has saved the County aggregate debt service savings of \$1,467,909, and will result in an economic gain or present value savings of \$1,296,637. During fiscal year 2013 the Sales Tax Refunding and Improvement Revenue Bonds, Series 2003, were fully retired. Total outstanding principal of the Sales Tax Revenue Bonds, Series 2005, at September 30, 2013 was \$9,870,000.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

B. During fiscal year ended September 30, 2013, the County completed a partial advance refunding of the outstanding Limited Ad Valorem Tax Bonds, Series 2005, to effect an overall reduction in debt service. The partial advance refunding was financed through sinking fund contribution and the issuance of \$26,335,000 Limited Ad Valorem Tax Refunding Bond, Series 2013. The net proceeds were deposited into an irrevocable escrow account and invested at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded bonds were defeased and the County's obligation on the refunded debt was satisfied. The refunding transaction has saved the County aggregate debt service savings of \$2,749,069 and will result in an economic gain or present value savings of \$2,482,620. Total outstanding principal of the Limited Ad Valorem Tax Bonds, Series 2005, at September 30, 2013 was \$25,030,000.

17. Bond Coverage - The County is required by bond resolutions to fix, establish and maintain such user rates that will always provide sufficient revenue for debt service, operations and maintenance, and all other reserve requirements pertinent to the bond issues within the affected Enterprise Funds. Where the bond resolutions provide for more than one bond coverage test, the covenants shown are the most restrictive.

The following tabulation indicates the degree of compliance with the bond resolution covenant in the Barefoot Bay Water & Sewer District at September 30, 2013. This coverage test compares the required debt coverage against the revenue available after operating and maintenance expenses.

	Barefoot Bay Water & Sewer District	
Gross revenues available for compliance	\$ 3,294,683	
Operating and maintenance expense (excluding depreciation expense)	<u>1,739,404</u>	(1)
Amount of revenue over operating and maintenance expense	<u>\$ 1,555,279</u>	
Debt coverage required	<u>\$ 1,221,297</u>	
Percent coverage for the year ended September 30, 2013	<u>127%</u>	

(1) Operating and maintenance expense excludes \$92,503 renewal and replacement expenses

18. Condensed Financial Statements - Discretely Presented Component Units

A. Statement of Net Position

	North Brevard County Public Library District	Merritt Island Redevelopment Agency	North Brevard Economic Development Zone	Titusville- Cocoa Airport Authority	Housing Finance Authority	Total
Assets:						
Other assets	\$ 7,032	\$ 2,335,362	\$ 0	\$ 3,285,067	\$ 7,027,499	\$ 12,654,960
Capital assets, net of accumulated depreciation	<u>0</u>	<u>0</u>	<u>0</u>	<u>47,589,701</u>	<u>0</u>	<u>47,589,701</u>
Total assets	<u>\$ 7,032</u>	<u>\$ 2,335,362</u>	<u>\$ 0</u>	<u>\$ 50,874,768</u>	<u>\$ 7,027,499</u>	<u>\$ 60,244,661</u>
Liabilities:						
Current liabilities	\$ 0	\$ 432,171	\$ 0	\$ 1,233,290	\$ 60,410	\$ 1,725,871
Noncurrent liabilities	<u>0</u>	<u>0</u>	<u>43,912</u>	<u>1,265,933</u>	<u>0</u>	<u>1,309,845</u>
Total liabilities	<u>\$ 0</u>	<u>\$ 432,171</u>	<u>\$ 43,912</u>	<u>\$ 2,499,223</u>	<u>\$ 60,410</u>	<u>\$ 3,035,716</u>
Net position:						
Net investment in capital assets	\$ 0	\$ 0	\$ 0	\$ 46,563,253	\$ 0	\$ 46,563,253
Restricted for Housing	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>
Unrestricted	<u>7,032</u>	<u>1,903,191</u>	<u>(43,912)</u>	<u>1,812,292</u>	<u>6,467,089</u>	<u>10,145,692</u>
Total net position	<u>\$ 7,032</u>	<u>\$ 1,903,191</u>	<u>\$ (43,912)</u>	<u>\$ 48,375,545</u>	<u>\$ 6,967,089</u>	<u>\$ 57,208,945</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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	\$ 2,366	\$ 1,936,096	\$ 75,139	\$ 3,117,566	\$ 163,716	\$ 5,294,883
Program revenues:						
Charges of services	\$ 3,240	\$ 0	\$ 0	\$ 2,124,476	\$ 1,468,940	\$ 3,596,656
Capital grants and contributions	0	0	0	4,076,022	0	4,076,022
Total program revenues	\$ 3,240	\$ 0	\$ 0	\$ 6,200,498	\$ 1,468,940	\$ 7,672,678
Net program revenues (expenses)	\$ 874	\$ (1,936,096)	\$ (75,139)	\$ 3,082,932	\$ 1,305,224	\$ 2,377,795
General revenues:						
Taxes	\$ 0	\$ 814,695	\$ 31,207	\$ 0	\$ 0	\$ 845,902
Other general revenues	0	22,522	20	825	(17,281)	6,086
Total general revenues	\$ 0	\$ 837,217	\$ 31,227	\$ 825	\$ (17,281)	\$ 851,988
Changes in net position	\$ 874	\$ (1,098,879)	\$ (43,912)	\$ 3,083,757	\$ 1,287,943	\$ 3,229,783
Beginning net position	6,158	3,002,070	0	45,291,788	5,679,146	53,979,162
Ending net position	\$ 7,032	\$ 1,903,191	\$ (43,912)	\$ 48,375,545	\$ 6,967,089	\$ 57,208,945

19. **Risk Management** - The County is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has established a Risk Management fund (an Internal Service Fund) to account for and finance its uninsured risks of loss. Under the Risk Management fund program, the County retains exposure up to a maximum of \$350,000 for each worker's compensation claim, \$100,000 for each auto liability claim, and \$50,000 for each general liability claim. For all risk property, the County retains exposure up to a maximum of \$100,000 per occurrence, all perils. For weather catastrophes, as a result of named storms, the County retains exposure of 5% of Total Insurable Values (TIV) with a minimum of \$500,000 per occurrence. For flood losses, the County retains exposure of 5% of TIV with a minimum of \$1,000,000 for any one occurrence in a special flood hazard area. For floods due to named storms, the exposure is 5% of TIV with a minimum of \$500,000; any other flood outside of 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 commercial coverage in any of the past three years.

The County has established a self-insured Employee Group Insurance Program to account for medical insurance claims of County employees and their covered dependents. Under this program, the fund provides the employee with an annual maximum benefit in accordance with Federal mandates under the Patient Protection and Affordable Care Act (PPACA) for a group health plan having met the criteria for a "Grandfathered" employer group health plan. Ongoing implementation of additional PPACA mandates will follow the timeline established for "Grandfathered" group health plans through 2018. The County did not purchase Stop Loss coverage for its self-insured medical claims in the 2013 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 \$16,715,817 in the Risk Management fund, reported at September 30, 2013, 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.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

Changes in the claims liability amounts in fiscal years 2012 and 2013 were:

	<u>2012</u>	<u>2013</u>
Beginning of fiscal year liability	\$ 20,286,110	\$ 16,406,856
Current year claims	41,614,734	48,478,582
Claims payments	<u>(45,493,988)</u>	<u>(48,169,621)</u>
Balance at fiscal year end	<u>\$ 16,406,856</u>	<u>\$ 16,715,817</u>

The claims liability at September 30, 2013, has been calculated as follows:

Present value of estimated outstanding losses (estimated losses of \$18,423,015, discounted to reflect future investment earnings at 1.0%)	\$ 17,694,685
Unallocated loss adjustment expenses (calculated at 7.5% of outstanding losses excluding medical insurance)	1,108,114
Estimated recoveries on settled claims	<u>(2,086,982)</u>
Claims liability at September 30, 2013	<u>\$ 16,715,817</u>

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, 2013, were:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Emergency Services	\$ 8,580,651
	Brevard County Transportation Trust	3,653,387
	Grants	582,098
	Other Governmental Funds	10,181,490
	Other Business-type Activities	2,102,712
Emergency Services	Internal Service Funds	1,327,880
	General Fund	843,791
	Brevard County Transportation Trust	12,324
	Other Governmental Funds	505,296
Brevard County Transportation Trust	Internal Service Funds	186,254
	General Fund	326,667
	Emergency Services	984
	Other Governmental Funds	1,556,068
Grants	Internal Service Funds	23,217
	Other Governmental Funds	300,000
	General Fund	2,943,522
	Brevard County Transportation Trust	190,225
Other Governmental Funds	Other Governmental Funds	5,693,705
	Internal Service Funds	360,779
	General Fund	1,385,067
	Other Governmental Funds	72,778
Solid Waste Management Department	Internal Service Funds	126,312
	General Fund	1,463,539
	Emergency Services	3,150
Water Resources Department	Other Governmental Funds	225,395
	Internal Service Funds	70,243
	General Fund	95,073
	Other Governmental Funds	15,378
Barefoot Bay Water & Sewer District	General Fund	529,189
	Other Governmental Funds	<u>\$ 43,357,174</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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

21. Deferred Compensation - The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 that is administered by an agent of the National Association of Counties. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or for an unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants.
22. Contingent Liabilities - A claim has been asserted against the Clerk of the Circuit Court for non-payment on a \$6.1 million promissory note. The promissory note was executed by the former Clerk after losing the primary election in August of 2012. The balance of the note at the time the current Clerk ceased making payments was approximately \$5.88 million. The current Clerk has asserted that the promissory note is not valid and that services and equipment were not received in consideration of the payment. The former Clerk and the CEO of the company that was the beneficiary of the note have since been arrested on charges of bribery, bid tampering, and other related conspiracy charges. In addition, the former Clerk has been charged with official misconduct. In February 2014, a federal magistrate judge recommended the dismissal of the claim against the Clerk's office and others on jurisdictional grounds.

There are a number of other pending lawsuits in which the County is involved. Although the outcome is not readily determinable, resolution of these matters is not expected to have an adverse effect on the financial condition of the County.

23. Retirement Plan - All Brevard County permanent employees participate in the Florida Retirement System, which is a multiple-employer, cost sharing, public employee retirement system. This retirement system is administered by the State of Florida, Department of Administration, Division of Retirement. The retirement system, as of July 1, 2011, mandates that all employees contribute 3% of gross pay and remaining contributions are made by participating employers. Membership in the Florida Retirement System is mandatory if an employee is in a full-time or part-time regularly established position in a state agency, county government, district school board, state university, community college, or any other qualified participating agency. The retirement system provides for vesting of benefits after six years of service (eight years for elected county officials). Employees are eligible for normal retirement with 30 years of creditable service or at age 62. Early retirement may be taken any time after six years of service (eight years for elected county officials); however, there is a 5% benefit reduction for each year prior to normal retirement. Benefits are computed on the basis of age, average final compensation, and service credit. Average final compensation is the average of the five highest fiscal years of earnings. The system also provides for death and disability benefits, which are established by Florida Statutes.

Brevard County is required to contribute an actuarially determined rate. The retirement plan is funded by employer contributions, based on gross pay, at a rate of 5.18% through June 2013, and changed to 6.95% effective July 2013, for regular employees; 14.90% through June 2013, (19.06% effective July 2013) for special-risk employees, which includes law enforcement officers, correctional officers, and firefighters; and 10.23% through June 2013, (33.03% effective July 2013) for elected officials. The County's contributions for the years ending September 30, 2013, 2012, and 2011, were \$16,737,147, \$14,275,173 and \$23,573,210, respectively, which equal the required contributions for each year. Contributions for the year ending September 30, 2013, represented 9.68% of covered payroll.

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

24. 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 Charter 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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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.

The Clerk of the Circuit Court's medical plan was administered by a private insurance company. The Clerk's Net OPEB obligation has been estimated since the actuarial report was not completed.

As of September 30, 2013, the membership of the County and Clerk's medical plan consisted of:

	<u>County</u>	<u>Clerk</u>
Active Employees	3,529	223
Retirees, Spouses and Beneficiaries	<u>1,189</u>	<u>22</u>
Total	<u>4,718</u>	<u>245</u>

Funding Policy - The maximum employer contribution target is 56% of the annual premium cost of the plan. The annual premium costs are between \$8,346 and \$14,290 for retirees and spouses under age 65 and between \$5,155 and \$8,625 for retirees and spouses over 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.

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

The following table shows the actuarial determined components of the obligation as of September 30, 2011, 2012 and 2013 based on the plan provisions:

	<u>September 30, 2011</u>	<u>September 30, 2012</u>	<u>September 30, 2013</u>
Annual required contribution	\$ 6,316,479	\$ 7,903,015	\$ 6,252,988
Interest on net OPEB contribution	895,062	507,546	503,634
Adjustment to annual required contribution	<u>(800,306)</u>	<u>(824,532)</u>	<u>(900,568)</u>
Annual OPEB cost (expense)	\$ 6,411,235	\$ 7,586,029	\$ 5,856,054
Contributions made	<u>(4,221,901)</u>	<u>(4,140,014)</u>	<u>(4,462,711)</u>
Increase in net OPEB obligation	\$ 2,189,334	\$ 3,446,015	\$ 1,393,343
Net OPEB obligation – beginning of year	<u>19,248,621</u>	<u>21,437,955</u>	<u>24,883,970</u>
Net OPEB obligation – end of year	<u>\$21,437,955</u>	<u>\$24,883,970</u>	<u>\$26,277,313</u>

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

Funded Status and Funding Progress - The contributions made for the 2011, 2012 and 2013 fiscal years were 65.9%, 54.6% and 76.2% respectively of the annual OPEB cost. As of the October 1, 2012 actuarial valuation date, the actuarial accrued liability for benefits was \$110,847,862, all of which was unfunded. The annual payroll of active employees covered by the OPEB plan was \$172,955,409 and the ratio of the UAAL to the covered payroll was 64.1%.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time, relative to the actuarial accrued liabilities for benefits.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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

The actuarial methods are:

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

The actuarial assumptions are:

Investment rate of return	2.00%
Projected annual salaries increase	1.50%
Healthcare cost trend rate	7.67% for fiscal year 2013, decreasing to a rate of 5% for the 2021 fiscal year.
Inflation rate	1.50%

25. Restatement of prior year balances – As of October 1, 2012, beginning net position of the governmental activities and certain proprietary funds was restated due to implementation of GASB Statment Nos. 63 and 65. This restatement was a result of the cumulative effect in prior years of recognizing debt issuance costs (except any portion related to prepaid insurance costs) as an expense in the year incurred.
26. Subsequent Events –The County has evaluated subsequent events through March 19, 2014, the date which the financial statements were issued.

BREVARD COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
FOR THE RETIREE HEALTH PLAN
SEPTEMBER 30, 2013

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



Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

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

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

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

Surface Water Improvement Division Fund - to account for the collection of stormwater assessments in Districts I, II, III, IV, and V. These revenues are to be expended in accordance with Ordinance 95-34.

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

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

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

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

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

Debt Service Funds

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

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

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.

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.

Capital Projects Funds

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

General Government Facilities - to account for the construction and improvements made to county government 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, 2013

	<u>Special Revenue</u>	
	<u>Recreation District IV Operating</u>	<u>Brevard County Free Public Library District</u>
ASSETS		
Cash	\$ 123,023	\$ 4,245,644
Receivables (net of allowance for uncollectibles):		
Accounts	0	79,502
Taxes	4,964	39,835
Assessments	0	0
Accrued interest	182	6,415
Due from other funds	7,518	80,425
Due from other governmental units	0	0
Inventory of supplies	0	0
Advances to other funds	0	0
Prepaid items	0	98,213
Total assets	<u>\$ 135,687</u>	<u>\$ 4,550,034</u>
LIABILITIES		
Vouchers and contracts payable	\$ 996	\$ 328,498
Accrued wages and benefits payable	0	0
Due to other funds	5	94
Due to other governmental units	0	783
Unearned revenue	0	0
Total liabilities	<u>\$ 1,001</u>	<u>\$ 329,375</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-grants	\$ 0	\$ 0
Unavailable revenue-taxes and assessments	4,964	39,835
Unavailable revenue-future reimbursements	0	0
Total deferred inflows of resources	<u>\$ 4,964</u>	<u>\$ 39,835</u>
Fund balances:		
Non-spendable	\$ 0	\$ 98,213
Restricted	129,722	4,082,611
Committed	0	0
Assigned	0	0
Total fund balances	<u>\$ 129,722</u>	<u>\$ 4,180,824</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 135,687</u>	<u>\$ 4,550,034</u>

Special Revenue

<i>Brevard County Mosquito Control District</i>	<i>Special Road And Bridge Districts</i>	<i>Fines and Court Costs</i>	<i>Recreation District I M.S.T.U.</i>	<i>Special Law Enforcement District</i>
\$ 4,679,842	\$ 5,779,160	\$ 3,299,714	\$ 2,149,912	\$ 2,879,572
0	0	90,358	199	1,801
14,496	10,291	0	6,794	35,277
0	0	0	0	0
7,026	8,665	1,928	3,243	1,211
28,902	21,930	0	9,875	105,861
142,677	0	0	100,344	47,656
1,588,559	245,078	3,021	111,390	0
0	0	0	0	0
5,000	0	0	0	0
<u>\$ 6,466,502</u>	<u>\$ 6,065,124</u>	<u>\$ 3,395,021</u>	<u>\$ 2,381,757</u>	<u>\$ 3,071,378</u>
\$ 30,716	\$ 942,949	\$ 276,509	\$ 128,255	\$ 14,100
0	0	3,479	0	573,225
33	9	0	11	24
26	0	0	550	10,555
0	0	267,858	0	0
<u>\$ 30,775</u>	<u>\$ 942,958</u>	<u>\$ 547,846</u>	<u>\$ 128,816</u>	<u>\$ 597,904</u>
\$ 139,933	\$ 0	\$ 0	\$ 100,119	\$ 0
14,496	10,291	0	6,794	35,277
0	0	0	0	0
<u>\$ 154,429</u>	<u>\$ 10,291</u>	<u>\$ 0</u>	<u>\$ 106,913</u>	<u>\$ 35,277</u>
\$ 1,593,559	\$ 245,078	\$ 3,021	\$ 111,390	\$ 0
4,687,739	4,866,797	2,844,154	2,034,638	2,438,197
0	0	0	0	0
0	0	0	0	0
<u>\$ 6,281,298</u>	<u>\$ 5,111,875</u>	<u>\$ 2,847,175</u>	<u>\$ 2,146,028</u>	<u>\$ 2,438,197</u>
<u>\$ 6,466,502</u>	<u>\$ 6,065,124</u>	<u>\$ 3,395,021</u>	<u>\$ 2,381,757</u>	<u>\$ 3,071,378</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<i>Special Revenue</i>	
	<i>Tourist Development Tax</i>	<i>Surface Water Improvement Division</i>
ASSETS		
Cash	\$ 20,596,386	\$ 4,023,556
Receivables (net of allowance for uncollectibles):		
Accounts	68,999	24,711
Taxes	0	0
Assessments	0	7,316
Accrued interest	29,941	7,471
Due from other funds	0	4,035,403
Due from other governmental units	589,191	0
Inventory of supplies	8,643	0
Advances to other funds	0	276,024
Prepaid items	0	0
Total assets	<u>\$ 21,293,160</u>	<u>\$ 8,374,481</u>
LIABILITIES		
Vouchers and contracts payable	\$ 424,641	\$ 419,856
Accrued wages and benefits payable	0	0
Due to other funds	0	0
Due to other governmental units	13,256	0
Unearned revenue	0	0
Total liabilities	<u>\$ 437,897</u>	<u>\$ 419,856</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-grants	\$ 0	\$ 0
Unavailable revenue-taxes and assessments	0	7,316
Unavailable revenue-future reimbursements	0	0
Total deferred inflows of resources	<u>\$ 0</u>	<u>\$ 7,316</u>
Fund balances:		
Non-spendable	\$ 8,643	\$ 276,024
Restricted	20,846,620	7,671,285
Committed	0	0
Assigned	0	0
Total fund balances	<u>\$ 20,855,263</u>	<u>\$ 7,947,309</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 21,293,160</u>	<u>\$ 8,374,481</u>

Special Revenue

<u>State Housing Initiative Partnership</u>	<u>Brevard County Building Code Compliance</u>	<u>Education Impact Fees</u>	<u>Environmentally Endangered Land Program</u>	<u>Records Modernization Trust</u>
\$ 1,145,983	\$ 1,414,501	\$ 10,084,750	\$ 941,640	\$ 752,161
114,373	0	0	0	0
0	0	0	3,708	0
0	0	0	0	0
1,724	2,125	15,116	1,434	0
0	0	0	0	0
0	0	0	0	0
0	0	0	18,057	0
0	0	0	0	0
0	0	0	0	190,383
<u>\$ 1,262,080</u>	<u>\$ 1,416,626</u>	<u>\$ 10,099,866</u>	<u>\$ 964,839</u>	<u>\$ 942,544</u>
\$ 30,970	\$ 11,126	\$ 197,884	\$ 11,543	\$ 35,250
0	0	0	0	2,544
0	0	12,533	0	0
0	9,812	0	0	0
0	0	0	40,305	0
<u>\$ 30,970</u>	<u>\$ 20,938</u>	<u>\$ 210,417</u>	<u>\$ 51,848</u>	<u>\$ 37,794</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	3,708	0
114,373	0	0	0	0
<u>\$ 114,373</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,708</u>	<u>\$ 0</u>
\$ 0	\$ 0	\$ 0	\$ 18,057	\$ 0
1,116,737	1,395,688	9,889,449	891,226	904,750
0	0	0	0	0
0	0	0	0	0
<u>\$ 1,116,737</u>	<u>\$ 1,395,688</u>	<u>\$ 9,889,449</u>	<u>\$ 909,283</u>	<u>\$ 904,750</u>
<u>\$ 1,262,080</u>	<u>\$ 1,416,626</u>	<u>\$ 10,099,866</u>	<u>\$ 964,839</u>	<u>\$ 942,544</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<u>Debt Service</u>
	<i>Tourist Development Tax Revenue Refunding Bonds, Series 2001</i>
ASSETS	
Cash	\$ 0
Receivables (net of allowance for uncollectibles):	
Accounts	0
Taxes	0
Assessments	0
Accrued interest	0
Due from other funds	0
Due from other governmental units	0
Inventory of supplies	0
Advances to other funds	0
Prepaid items	0
Total assets	<u>\$ 0</u>
LIABILITIES	
Vouchers and contracts payable	\$ 0
Accrued wages and benefits payable	0
Due to other funds	0
Due to other governmental units	0
Unearned revenue	0
Total liabilities	<u>\$ 0</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue-grants	\$ 0
Unavailable revenue-taxes and assessments	0
Unavailable revenue-future reimbursements	0
Total deferred inflows of resources	<u>\$ 0</u>
Fund balances:	
Non-spendable	\$ 0
Restricted	0
Committed	0
Assigned	0
Total fund balances	<u>\$ 0</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 0</u>

<i>Debt Service</i>			<i>Capital Projects</i>	
<i>Sales Tax Revenue Bonds</i>	<i>Loans</i>	<i>Limited Ad Valorem Tax Bonds</i>	<i>Parks and Recreation Facilities</i>	<i>General Government Facilities</i>
\$ 451,476	\$ 315,581	\$ 4,325,022	\$ 11,965,497	\$ 3,759,773
0	0	0	0	25
1,073	0	39,448	0	0
0	22,769	0	0	0
685	25	6,478	18,327	5,837
1,788	0	91,949	271,044	0
0	0	0	250,363	0
0	0	0	0	0
0	0	0	0	0
0	927	0	0	0
<u>\$ 455,022</u>	<u>\$ 339,302</u>	<u>\$ 4,462,897</u>	<u>\$ 12,505,231</u>	<u>\$ 3,765,635</u>
\$ 0	\$ 0	\$ 0	\$ 860,503	\$ 364,647
0	0	0	0	0
0	230,600	84	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ 0</u>	<u>\$ 230,600</u>	<u>\$ 84</u>	<u>\$ 860,503</u>	<u>\$ 364,647</u>
\$ 0	\$ 0	\$ 0	\$ 250,363	\$ 0
1,073	1,538	39,448	0	0
0	0	0	0	0
<u>\$ 1,073</u>	<u>\$ 1,538</u>	<u>\$ 39,448</u>	<u>\$ 250,363</u>	<u>\$ 0</u>
\$ 0	\$ 927	\$ 0	\$ 0	\$ 0
453,949	106,237	4,423,365	11,394,365	0
0	0	0	0	3,305,031
0	0	0	0	95,957
<u>\$ 453,949</u>	<u>\$ 107,164</u>	<u>\$ 4,423,365</u>	<u>\$ 11,394,365</u>	<u>\$ 3,400,988</u>
<u>\$ 455,022</u>	<u>\$ 339,302</u>	<u>\$ 4,462,897</u>	<u>\$ 12,505,231</u>	<u>\$ 3,765,635</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<u>Capital Projects</u>	
	<u>Environmentally Endangered Land Purchases</u>	<u>Total</u>
ASSETS		
Cash	\$ 5,453,740	\$ 88,386,933
Receivables (net of allowance for uncollectibles):		
Accounts	0	379,968
Taxes	0	155,886
Assessments	0	30,085
Accrued interest	8,175	126,008
Due from other funds	0	4,654,695
Due from other governmental units	0	1,130,231
Inventory of supplies	0	1,974,748
Advances to other funds	0	276,024
Prepaid items	0	294,523
Total assets	<u>\$ 5,461,915</u>	<u>\$ 97,409,101</u>
LIABILITIES		
Vouchers and contracts payable	\$ 0	\$ 4,078,443
Accrued wages and benefits payable	0	579,248
Due to other funds	0	243,393
Due to other governmental units	0	34,982
Unearned revenue	0	308,163
Total liabilities	<u>\$ 0</u>	<u>\$ 5,244,229</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-grants	\$ 0	\$ 490,415
Unavailable revenue-taxes and assessments	0	164,740
Unavailable revenue-future reimbursements	0	114,373
Total deferred inflows of resources	<u>\$ 0</u>	<u>\$ 769,528</u>
Fund balances:		
Non-spendable	\$ 0	\$ 2,354,912
Restricted	5,461,915	85,639,444
Committed	0	3,305,031
Assigned	0	95,957
Total fund balances	<u>\$ 5,461,915</u>	<u>\$ 91,395,344</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,461,915</u>	<u>\$ 97,409,101</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Special Revenue</i>	
	<i>Recreation District IV Operating</i>	<i>Brevard County Free Public Library District</i>
REVENUES		
Taxes	\$ 1,332,914	\$ 14,369,932
Permits, fees and special assessments	0	82,575
Intergovernmental revenues	0	0
Charges for services	0	0
Fines and forfeits	0	611,846
Miscellaneous revenues	1,834	179,126
Total revenues	\$ 1,334,748	\$ 15,243,479
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	1,261,945	13,059,834
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	\$ 1,261,945	\$ 13,059,834
Excess (deficiency) of revenues over (under) expenditures	\$ 72,803	\$ 2,183,645
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 7,518	\$ 307,194
Transfers out	(47,989)	(2,892,554)
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Refunding debt issued	0	0
Capital related debt issued	0	0
Debt refunding payment	0	0
Total other financing sources and uses	\$ (40,471)	\$ (2,585,360)
Net change in fund balances	\$ 32,332	\$ (401,715)
Fund balances - beginning	97,390	4,484,326
Increase (decrease) in non-spcndable	0	98,213
Fund balances - ending	\$ 129,722	\$ 4,180,824

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Special Revenue</i>	
	<i>Brevard County Mosquito Control District</i>	<i>Special Road And Bridge Districts</i>
REVENUES		
Taxes	\$ 5,164,087	\$ 3,859,902
Permits, fees and special assessments	0	0
Intergovernmental revenues	0	0
Charges for services	31,542	0
Fines and forfeits	0	0
Miscellaneous revenues	21,827	24,192
Total revenues	\$ 5,217,456	\$ 3,884,094
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	0
Physical environment	260,958	0
Transportation	0	4,014,866
Economic environment	0	0
Human services	4,472,283	0
Culture and recreation	0	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	\$ 4,733,241	\$ 4,014,866
Excess (deficiency) of revenues over (under) expenditures	\$ 484,215	\$ (130,772)
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 110,389	\$ 21,930
Transfers out	(189,437)	(142,900)
Proceeds of the sale of capital assets	1,500,269	0
Insurance proceeds	0	0
Refunding debt issued	0	0
Capital related debt issued	0	0
Debt refunding payment	0	0
Total other financing sources and uses	\$ 1,421,221	\$ (120,970)
Net change in fund balances	\$ 1,905,436	\$ (251,742)
Fund balances - beginning	4,629,533	5,333,827
Increase (decrease) in non-spendable	(253,671)	29,790
Fund balances - ending	\$ 6,281,298	\$ 5,111,875

Special Revenue

<i>Fines and Court Costs</i>	<i>Recreation District I M.S.T.U.</i>	<i>Special Law Enforcement District</i>	<i>Tourist Development Tax</i>	<i>Surface Water Improvement Division</i>
\$ 0	\$ 1,794,024	\$ 14,418,803	\$ 8,843,201	\$ 0
0	0	0	0	3,287,749
0	67,795	91,631	0	0
3,409,592	201,220	2,662,705	1,006	47,424
582,460	0	0	0	0
748,315	273,583	36,551	68,673	816,731
<u>\$ 4,740,367</u>	<u>\$ 2,336,622</u>	<u>\$ 17,209,690</u>	<u>\$ 8,912,880</u>	<u>\$ 4,151,904</u>
\$ 4,818,713	\$ 0	\$ 0	\$ 0	\$ 0
1,775,952	0	17,469,500	0	0
0	0	0	390,950	6,494,991
0	0	0	0	0
0	0	0	4,837,483	0
0	0	0	0	0
0	6,236,471	0	828,997	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ 6,594,665</u>	<u>\$ 6,236,471</u>	<u>\$ 17,469,500</u>	<u>\$ 6,057,430</u>	<u>\$ 6,494,991</u>
\$ (1,854,298)	\$ (3,899,849)	\$ (259,810)	\$ 2,855,450	\$ (2,343,087)
\$ 2,484,142	\$ 3,422,783	\$ 80,817	\$ 707,000	\$ 1,556,068
(755,858)	(780,071)	(529,756)	(701,429)	(241,550)
2,224	2,091	19,285	0	124
0	1,681	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ 1,730,508</u>	<u>\$ 2,646,484</u>	<u>\$ (429,654)</u>	<u>\$ 5,571</u>	<u>\$ 1,314,642</u>
\$ (123,790)	\$ (1,253,365)	\$ (689,464)	\$ 2,861,021	\$ (1,028,445)
2,973,132	3,325,224	3,127,661	17,992,634	8,975,754
(2,167)	74,169	0	1,608	0
<u>\$ 2,847,175</u>	<u>\$ 2,146,028</u>	<u>\$ 2,438,197</u>	<u>\$ 20,855,263</u>	<u>\$ 7,947,309</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Special Revenue</i>	
	<i>State Housing Initiative Partnership</i>	<i>Brevard County Building Code Compliance</i>
REVENUES		
Taxes	\$ 0	\$ 21,195
Permits, fees and special assessments	0	2,287,647
Intergovernmental revenues	595,080	0
Charges for services	0	2,050
Fines and forfeits	0	12,081
Miscellaneous revenues	133,165	38,003
Total revenues	\$ 728,245	\$ 2,360,976
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	1,705,642
Physical environment	0	0
Transportation	0	0
Economic environment	746,998	0
Human services	0	0
Culture and recreation	0	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	\$ 746,998	\$ 1,705,642
Excess (deficiency) of revenues over (under) expenditures	\$ (18,753)	\$ 655,334
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 0	\$ 10,590
Transfers out	0	(23,897)
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Refunding debt issued	0	0
Capital related debt issued	0	0
Debt refunding payment	0	0
Total other financing sources and uses	\$ 0	\$ (13,307)
Net change in fund balances	\$ (18,753)	\$ 642,027
Fund balances - beginning	1,135,490	753,661
Increase (decrease) in non-spendable	0	0
Fund balances - ending	\$ 1,116,737	\$ 1,395,688

<i>Special Revenue</i>			<i>Debt Service</i>	
<i>Education Impact Fees</i>	<i>Environmentally Endangered Land Program</i>	<i>Records Modernization Trust</i>	<i>Tourist Development Tax Revenue Refunding Bonds, Series 2001</i>	<i>Sales Tax Revenue Bonds</i>
\$ 0	\$ 994,397	\$ 0	\$ 0	\$ 304,813
5,124,023	0	0	0	0
0	0	0	0	0
0	403	1,428,458	0	0
0	0	459,690	0	0
37,987	59,464	567	1,072	1,822
<u>\$ 5,162,010</u>	<u>\$ 1,054,264</u>	<u>\$ 1,888,715</u>	<u>\$ 1,072</u>	<u>\$ 306,635</u>
\$ 0	\$ 0	\$ 2,712,478	\$ 0	\$ 0
0	0	0	0	0
0	1,983,611	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
782,745	0	0	0	0
0	0	0	0	0
0	0	0	745,000	5,709,964
0	0	0	17,113	1,137,789
<u>\$ 782,745</u>	<u>\$ 1,983,611</u>	<u>\$ 2,712,478</u>	<u>\$ 762,113</u>	<u>\$ 6,847,753</u>
<u>\$ 4,379,265</u>	<u>\$ (929,347)</u>	<u>\$ (823,763)</u>	<u>\$ (761,041)</u>	<u>\$ (6,541,118)</u>
\$ 0	\$ 1,194,563	\$ 0	\$ 320,466	\$ 6,465,447
(188,150)	0	0	(707,000)	(11,469)
0	1,429	0	0	0
0	0	0	0	0
0	0	0	0	13,435,000
0	0	0	0	0
0	0	0	0	(13,378,679)
<u>\$ (188,150)</u>	<u>\$ 1,195,992</u>	<u>\$ 0</u>	<u>\$ (386,534)</u>	<u>\$ 6,510,299</u>
\$ 4,191,115	\$ 266,645	\$ (823,763)	\$ (1,147,575)	\$ (30,819)
5,698,334	639,753	1,728,513	1,147,575	484,768
0	2,885	0	0	0
<u>\$ 9,889,449</u>	<u>\$ 909,283</u>	<u>\$ 904,750</u>	<u>\$ 0</u>	<u>\$ 453,949</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Debt Service</i>	
	<i>Loans</i>	<i>Limited Ad Valorem Tax Bonds</i>
REVENUES		
Taxes	\$ 0	\$ 13,927,460
Permits, fees and special assessments	17,881	0
Intergovernmental revenues	0	0
Charges for services	0	0
Fines and forfeits	0	0
Miscellaneous revenues	0	41,121
Total revenues	\$ 17,881	\$ 13,968,581
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	0
Physical environment	0	0
Transportation	0	0
Economic environment	0	0
Human services	0	0
Culture and recreation	0	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	1,050,000	8,560,000
Interest	487,427	4,589,065
Total expenditures	\$ 1,537,427	\$ 13,149,065
Excess (deficiency) of revenues over (under) expenditures	\$ (1,519,546)	\$ 819,516
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 1,269,254	\$ 591,949
Transfers out	(1,006)	(601,869)
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Refunding debt issued	0	26,335,000
Capital related debt issued	35,051	0
Debt refunding payment	0	(26,256,645)
Total other financing sources and uses	\$ 1,303,299	\$ 68,435
Net change in fund balances	\$ (216,247)	\$ 887,951
Fund balances - beginning	322,484	3,535,414
Increase (decrease) in non-spendable	927	0
Fund balances - ending	\$ 107,164	\$ 4,423,365

Capital Projects

<i>Parks and Recreation Facilities</i>	<i>General Government Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Total</i>
\$ 0	\$ 0	\$ 0	\$ 65,030,728
0	0	0	10,799,875
1,011,245	0	0	1,765,751
0	0	15,701	7,800,101
0	0	0	1,666,077
40,340	19,742	17,345	2,561,460
<u>\$ 1,051,585</u>	<u>\$ 19,742</u>	<u>\$ 33,046</u>	<u>\$ 89,623,992</u>
\$ 0	\$ 0	\$ 0	\$ 7,531,191
0	0	0	20,951,094
0	0	0	9,130,510
0	0	0	4,014,866
0	0	0	5,584,481
0	0	0	4,472,283
0	0	0	21,387,247
0	0	0	782,745
4,703,638	7,253,571	157,575	12,114,784
0	0	0	16,064,964
0	0	0	6,231,394
<u>\$ 4,703,638</u>	<u>\$ 7,253,571</u>	<u>\$ 157,575</u>	<u>\$ 108,265,559</u>
<u>\$ (3,652,053)</u>	<u>\$ (7,233,829)</u>	<u>\$ (124,529)</u>	<u>\$ (18,641,567)</u>
\$ 0	\$ 0	\$ 0	\$ 18,550,110
(178,733)	0	(1,194,563)	(9,188,231)
0	0	0	1,525,422
0	0	0	1,681
0	0	0	39,770,000
0	6,161,905	0	6,196,956
0	0	0	(39,635,324)
<u>\$ (178,733)</u>	<u>\$ 6,161,905</u>	<u>\$ (1,194,563)</u>	<u>\$ 17,220,614</u>
<u>\$ (3,830,786)</u>	<u>\$ (1,071,924)</u>	<u>\$ (1,319,092)</u>	<u>\$ (1,420,953)</u>
15,225,151	4,472,912	6,781,007	92,864,543
0	0	0	(48,246)
<u>\$ 11,394,365</u>	<u>\$ 3,400,988</u>	<u>\$ 5,461,915</u>	<u>\$ 91,395,344</u>

BREVARD COUNTY, FLORIDA
RECREATION DISTRICT IV OPERATING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Final Budgeted Amounts</u>	<u>Actual Amount</u>	<u>Variance with final budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 1,333,503	\$ 1,332,914	\$ (589)
Miscellaneous revenues	<u>12,000</u>	<u>1,834</u>	<u>(10,166)</u>
Total revenues	<u>\$ 1,345,503</u>	<u>\$ 1,334,748</u>	<u>\$ (10,755)</u>
EXPENDITURES			
Current:			
Culture and recreation	<u>\$ 1,328,110</u>	<u>\$ 1,261,945</u>	<u>\$ 66,165</u>
Excess of revenues over expenditures	<u>\$ 17,393</u>	<u>\$ 72,803</u>	<u>\$ 55,410</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 7,518	\$ 7,518
Transfers out	<u>(47,374)</u>	<u>(47,989)</u>	<u>(615)</u>
Total other financing sources and uses	<u>\$ (47,374)</u>	<u>\$ (40,471)</u>	<u>\$ 6,903</u>
Net change in fund balances	\$ (29,981)	\$ 32,332	\$ 62,313
Fund balances - beginning	<u>97,390</u>	<u>97,390</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 67,409</u></u>	<u><u>\$ 129,722</u></u>	<u><u>\$ 62,313</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 14,814,138	\$ 14,369,932	\$ (444,206)
Permits, fees and special assessments	41,500	82,575	41,075
Fines and forfeits	521,900	611,846	89,946
Miscellaneous revenues	126,473	179,126	52,653
Total revenues	\$ 15,504,011	\$ 15,243,479	\$ (260,532)
EXPENDITURES			
Current:			
Culture and recreation	\$ 15,683,030	\$ 13,059,834	\$ 2,623,196
Excess (deficiency) of revenues over (under) expenditures	\$ (179,019)	\$ 2,183,645	\$ 2,362,664
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 396,676	\$ 307,194	\$ (89,482)
Transfers out	(2,897,341)	(2,892,554)	4,787
Total other financing sources and uses	\$ (2,500,665)	\$ (2,585,360)	\$ (84,695)
Net change in fund balances	\$ (2,679,684)	\$ (401,715)	\$ 2,277,969
Fund balances - beginning	4,484,326	4,484,326	0
Increase in non-spendable	0	98,213	98,213
Fund balances - ending	\$ 1,804,642	\$ 4,180,824	\$ 2,376,182

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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 5,373,409	\$ 5,164,087	\$ (209,322)
Charges for services	99,570	31,542	(68,028)
Miscellaneous revenues	<u>52,500</u>	<u>21,827</u>	<u>(30,673)</u>
Total revenues	<u>\$ 5,525,479</u>	<u>\$ 5,217,456</u>	<u>\$ (308,023)</u>
EXPENDITURES			
Current:			
Physical environment	\$ 379,668	\$ 260,958	\$ 118,710
Human services	<u>6,808,525</u>	<u>4,472,283</u>	<u>2,336,242</u>
Total expenditures	<u>\$ 7,188,193</u>	<u>\$ 4,733,241</u>	<u>\$ 2,454,952</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,662,714)</u>	<u>\$ 484,215</u>	<u>\$ 2,146,929</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 126,187	\$ 110,389	\$ (15,798)
Transfers out	(192,047)	(189,437)	2,610
Proceeds of the sale of capital assets	<u>1,375,000</u>	<u>1,500,269</u>	<u>125,269</u>
Total other financing sources and uses	<u>\$ 1,309,140</u>	<u>\$ 1,421,221</u>	<u>\$ 112,081</u>
Net change in fund balances	\$ (353,574)	\$ 1,905,436	\$ 2,259,010
Fund balances - beginning	4,629,533	4,629,533	0
Decrease in non-spendable	<u>0</u>	<u>(253,671)</u>	<u>(253,671)</u>
Fund balances - ending	<u>\$ 4,275,959</u>	<u>\$ 6,281,298</u>	<u>\$ 2,005,339</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 4,003,499	\$ 3,859,902	\$ (143,597)
Miscellaneous revenues	<u>64,630</u>	<u>24,192</u>	<u>(40,438)</u>
Total revenues	<u>\$ 4,068,129</u>	<u>\$ 3,884,094</u>	<u>\$ (184,035)</u>
EXPENDITURES			
Current:			
Transportation	<u>\$ 8,446,911</u>	<u>\$ 4,014,866</u>	<u>\$ 4,432,045</u>
Deficiency of revenues under expenditures	<u>\$ (4,378,782)</u>	<u>\$ (130,772)</u>	<u>\$ 4,248,010</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 22,500	\$ 21,930	\$ (570)
Transfers out	<u>(159,121)</u>	<u>(142,900)</u>	<u>16,221</u>
Total other financing sources and uses	<u>\$ (136,621)</u>	<u>\$ (120,970)</u>	<u>\$ 15,651</u>
Net change in fund balances	\$ (4,515,403)	\$ (251,742)	\$ 4,263,661
Fund balances - beginning	5,333,827	5,333,827	0
Increase in non-spendable	<u>0</u>	<u>29,790</u>	<u>29,790</u>
Fund balances - ending	<u>\$ 818,424</u>	<u>\$ 5,111,875</u>	<u>\$ 4,293,451</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 3,673,845	\$ 3,409,592	\$ (264,253)
Fines and forfeits	536,855	582,460	45,605
Miscellaneous revenues	<u>1,031,059</u>	<u>748,315</u>	<u>(282,744)</u>
Total revenues	<u>\$ 5,241,759</u>	<u>\$ 4,740,367</u>	<u>\$ (501,392)</u>
EXPENDITURES			
Current:			
General government	\$ 5,024,371	\$ 4,818,713	\$ 205,658
Public safety	<u>2,666,338</u>	<u>1,775,952</u>	<u>890,386</u>
Total expenditures	<u>\$ 7,690,709</u>	<u>\$ 6,594,665</u>	<u>\$ 1,096,044</u>
Deficiency of revenues under expenditures	<u>\$ (2,448,950)</u>	<u>\$ (1,854,298)</u>	<u>\$ 594,652</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 2,737,823	\$ 2,484,142	\$ (253,681)
Transfers out	(840,343)	(755,858)	84,485
Proceeds of the sale of capital assets	<u>0</u>	<u>2,224</u>	<u>2,224</u>
Total other financing sources and uses	<u>\$ 1,897,480</u>	<u>\$ 1,730,508</u>	<u>\$ (166,972)</u>
Net change in fund balances	\$ (551,470)	\$ (123,790)	\$ 427,680
Fund balances - beginning	2,973,132	2,973,132	0
Decrease in non-spendable	<u>0</u>	<u>(2,167)</u>	<u>(2,167)</u>
Fund balances - ending	<u>\$ 2,421,662</u>	<u>\$ 2,847,175</u>	<u>\$ 425,513</u>

BREVARD COUNTY, FLORIDA
RECREATION DISTRICT I M.S.T.U.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 2,013,332	\$ 1,794,024	\$ (219,308)
Intergovernmental revenues	71,363	67,795	(3,568)
Charges for services	202,050	201,220	(830)
Miscellaneous revenues	<u>273,600</u>	<u>273,583</u>	<u>(17)</u>
Total revenues	<u>\$ 2,560,345</u>	<u>\$ 2,336,622</u>	<u>\$ (223,723)</u>
EXPENDITURES			
Current:			
Culture and recreation	<u>\$ 7,408,017</u>	<u>\$ 6,236,471</u>	<u>\$ 1,171,546</u>
Deficiency of revenues under expenditures	<u>\$ (4,847,672)</u>	<u>\$ (3,899,849)</u>	<u>\$ 947,823</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 3,423,908	\$ 3,422,783	\$ (1,125)
Transfers out	(788,246)	(780,071)	8,175
Proceeds of the sale of capital assets	800	2,091	1,291
Insurance proceeds	<u>7,000</u>	<u>1,681</u>	<u>(5,319)</u>
Total other financing sources and uses	<u>\$ 2,643,462</u>	<u>\$ 2,646,484</u>	<u>\$ 3,022</u>
Net change in fund balances	\$ (2,204,210)	\$ (1,253,365)	\$ 950,845
Fund balances - beginning	3,325,224	3,325,224	0
Increase in non-spendable	<u>0</u>	<u>74,169</u>	<u>74,169</u>
Fund balances - ending	<u>\$ 1,121,014</u>	<u>\$ 2,146,028</u>	<u>\$ 1,025,014</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 15,167,067	\$ 14,418,803	\$ (748,264)
Intergovernmental revenues	52,227	91,631	39,404
Charges for services	3,110,255	2,662,705	(447,550)
Miscellaneous revenues	<u>25,681</u>	<u>36,551</u>	<u>10,870</u>
Total revenues	<u>\$ 18,355,230</u>	<u>\$ 17,209,690</u>	<u>\$ (1,145,540)</u>
EXPENDITURES			
Current:			
Public safety	<u>\$ 18,959,418</u>	<u>\$ 17,469,500</u>	<u>\$ 1,489,918</u>
Deficiency of revenues under expenditures	<u>\$ (604,188)</u>	<u>\$ (259,810)</u>	<u>\$ 344,378</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 80,817	\$ 80,817
Transfers out	(868,250)	(529,756)	338,494
Proceeds of the sale of capital assets	<u>10,000</u>	<u>19,285</u>	<u>9,285</u>
Total other financing sources and uses	<u>\$ (858,250)</u>	<u>\$ (429,654)</u>	<u>\$ 428,596</u>
Net change in fund balances	\$ (1,462,438)	\$ (689,464)	\$ 772,974
Fund balances - beginning	<u>3,127,661</u>	<u>3,127,661</u>	<u>0</u>
Fund balances - ending	<u>\$ 1,665,223</u>	<u>\$ 2,438,197</u>	<u>\$ 772,974</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 7,686,833	\$ 8,843,201	\$ 1,156,368
Charges for services	0	1,006	1,006
Miscellaneous revenues	125,900	68,673	(57,227)
Total revenues	\$ 7,812,733	\$ 8,912,880	\$ 1,100,147
EXPENDITURES			
Current:			
Physical environment	\$ 692,000	\$ 390,950	\$ 301,050
Economic environment	6,438,412	4,837,483	1,600,929
Culture and recreation	4,680,128	828,997	3,851,131
Total expenditures	\$ 11,810,540	\$ 6,057,430	\$ 5,753,110
Excess (deficiency) of revenues over (under) expenditures	\$ (3,997,807)	\$ 2,855,450	\$ 6,853,257
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 707,000	\$ 707,000	\$ 0
Transfers out	(1,128,804)	(701,429)	427,375
Total other financing sources and uses	\$ (421,804)	\$ 5,571	\$ 427,375
Net change in fund balances	\$ (4,419,611)	\$ 2,861,021	\$ 7,280,632
Fund balances - beginning	17,992,634	17,992,634	0
Increase in non-spendable	0	1,608	1,608
Fund balances - ending	\$ 13,573,023	\$ 20,855,263	\$ 7,282,240

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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Permits, fees and special assessments	\$ 3,439,823	\$ 3,287,749	\$ (152,074)
Intergovernmental revenues	263,158	0	(263,158)
Charges for services	51,655	47,424	(4,231)
Miscellaneous revenues	<u>1,433,220</u>	<u>816,731</u>	<u>(616,489)</u>
Total revenues	<u>\$ 5,187,856</u>	<u>\$ 4,151,904</u>	<u>\$ (1,035,952)</u>
EXPENDITURES			
Current:			
Physical environment	\$ 13,239,590	\$ 6,494,991	\$ 6,744,599
Intergovernmental	<u>887,000</u>	<u>0</u>	<u>887,000</u>
Total expenditures	<u>\$ 14,126,590</u>	<u>\$ 6,494,991</u>	<u>\$ 7,631,599</u>
Deficiency of revenues under expenditures	<u>\$ (8,938,734)</u>	<u>\$ (2,343,087)</u>	<u>\$ 6,595,647</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 1,751,152	\$ 1,556,068	\$ (195,084)
Transfers out	(252,268)	(241,550)	10,718
Proceeds of the sale of capital assets	<u>0</u>	<u>124</u>	<u>124</u>
Total other financing sources and uses	<u>\$ 1,498,884</u>	<u>\$ 1,314,642</u>	<u>\$ (184,242)</u>
Net change in fund balances	\$ (7,439,850)	\$ (1,028,445)	\$ 6,411,405
Fund balances - beginning	<u>8,975,754</u>	<u>8,975,754</u>	<u>0</u>
Fund balances - ending	<u>\$ 1,535,904</u>	<u>\$ 7,947,309</u>	<u>\$ 6,411,405</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, 2013

	<u>Final Budgeted Amounts</u>	<u>Actual Amount</u>	<u>Variance with final budget - Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 0	\$ 595,080	\$ 595,080
Miscellaneous revenues	<u>9,000</u>	<u>133,165</u>	<u>124,165</u>
Total revenues	<u>\$ 9,000</u>	<u>\$ 728,245</u>	<u>\$ 719,245</u>
EXPENDITURES			
Current:			
Economic environment	<u>\$ 1,141,822</u>	<u>\$ 746,998</u>	<u>\$ 394,824</u>
Net change in fund balances	\$ (1,132,822)	\$ (18,753)	\$ 1,114,069
Fund balances - beginning	<u>1,135,490</u>	<u>1,135,490</u>	<u>0</u>
Fund balances - ending	<u>\$ 2,668</u>	<u>\$ 1,116,737</u>	<u>\$ 1,114,069</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 19,420	\$ 21,195	\$ 1,775
Permits, fees and special assessments	1,676,862	2,287,647	610,785
Charges for services	2,500	2,050	(450)
Fines and forfeits	8,219	12,081	3,862
Miscellaneous revenues	16,782	38,003	21,221
	<u>\$ 1,723,783</u>	<u>\$ 2,360,976</u>	<u>\$ 637,193</u>
EXPENDITURES			
Current:			
Public safety	\$ 1,814,169	\$ 1,705,642	\$ 108,527
	<u>\$ (90,386)</u>	<u>\$ 655,334</u>	<u>\$ 745,720</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 10,590	\$ 10,590	\$ 0
Transfers out	(23,897)	(23,897)	0
	<u>\$ (13,307)</u>	<u>\$ (13,307)</u>	<u>\$ 0</u>
Net change in fund balances	\$ (103,693)	\$ 642,027	\$ 745,720
Fund balances - beginning	753,661	753,661	0
Fund balances - ending	<u>\$ 649,968</u>	<u>\$ 1,395,688</u>	<u>\$ 745,720</u>

BREVARD COUNTY, FLORIDA
EDUCATION IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Permits, fees and special assessments	\$ 2,451,673	\$ 5,124,023	\$ 2,672,350
Miscellaneous revenues	<u>22,000</u>	<u>37,987</u>	<u>15,987</u>
Total revenues	<u>\$ 2,473,673</u>	<u>\$ 5,162,010</u>	<u>\$ 2,688,337</u>
EXPENDITURES			
Intergovernmental	\$ 6,533,269	\$ 782,745	\$ 5,750,524
Debt service:			
Principal	<u>60,000</u>	<u>0</u>	<u>60,000</u>
Total expenditures	<u>\$ 6,593,269</u>	<u>\$ 782,745</u>	<u>\$ 5,810,524</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (4,119,596)</u>	<u>\$ 4,379,265</u>	<u>\$ 8,498,861</u>
OTHER FINANCING USES			
Transfers out	<u>\$ (196,133)</u>	<u>\$ (188,150)</u>	<u>\$ 7,983</u>
Net change in fund balances	\$ (4,315,729)	\$ 4,191,115	\$ 8,506,844
Fund balances - beginning	<u>5,698,334</u>	<u>5,698,334</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 1,382,605</u></u>	<u><u>\$ 9,889,449</u></u>	<u><u>\$ 8,506,844</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 1,057,612	\$ 994,397	\$ (63,215)
Charges for services	0	403	403
Miscellaneous revenues	<u>81,772</u>	<u>59,464</u>	<u>(22,308)</u>
Total revenues	<u>\$ 1,139,384</u>	<u>\$ 1,054,264</u>	<u>\$ (85,120)</u>
EXPENDITURES			
Current:			
Physical environment	<u>\$ 2,686,247</u>	<u>\$ 1,983,611</u>	<u>\$ 702,636</u>
Deficiency of revenues under expenditures	<u>\$ (1,546,863)</u>	<u>\$ (929,347)</u>	<u>\$ 617,516</u>
OTHER FINANCING SOURCES			
Transfers in	\$ 3,039,200	\$ 1,194,563	\$ (1,844,637)
Proceeds of the sale of capital assets	<u>0</u>	<u>1,429</u>	<u>1,429</u>
Total other financing sources	<u>\$ 3,039,200</u>	<u>\$ 1,195,992</u>	<u>\$ (1,843,208)</u>
Net change in fund balances	\$ 1,492,337	\$ 266,645	\$ (1,225,692)
Fund balances - beginning	639,753	639,753	0
Increase in non-spendable	<u>0</u>	<u>2,885</u>	<u>2,885</u>
Fund balances - ending	<u>\$ 2,132,090</u>	<u>\$ 909,283</u>	<u>\$ (1,222,807)</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 1,291,289	\$ 1,428,458	\$ 137,169
Fines and forfeits	520,400	459,690	(60,710)
Miscellaneous revenues	<u>0</u>	<u>567</u>	<u>567</u>
Total revenues	<u>\$ 1,811,689</u>	<u>\$ 1,888,715</u>	<u>\$ 77,026</u>
EXPENDITURES			
Current:			
General government	<u>\$ 2,716,289</u>	<u>\$ 2,712,478</u>	<u>\$ 3,811</u>
Net change in fund balances	\$ (904,600)	\$ (823,763)	\$ 80,837
Fund balances - beginning	<u>1,728,513</u>	<u>1,728,513</u>	<u>0</u>
Fund balances - ending	<u>\$ 823,913</u>	<u>\$ 904,750</u>	<u>\$ 80,837</u>

BREVARD COUNTY, FLORIDA
 TOURIST DEVELOPMENT TAX REVENUE REFUNDING BONDS, SERIES 2001
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 1,072	\$ 1,072
EXPENDITURES			
Debt service:			
Principal	\$ 745,000	\$ 745,000	\$ 0
Interest	17,113	17,113	0
Total expenditures	\$ 762,113	\$ 762,113	\$ 0
Deficiency of revenues under expenditures	\$ (762,113)	\$ (761,041)	\$ 1,072
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 324,386	\$ 320,466	\$ (3,920)
Transfers out	(707,000)	(707,000)	0
Total other financing sources and uses	\$ (382,614)	\$ (386,534)	\$ (3,920)
Net change in fund balances	\$ (1,144,727)	\$ (1,147,575)	\$ (2,848)
Fund balances - beginning	1,147,575	1,147,575	0
Fund balances - ending	\$ 2,848	\$ 0	\$ (2,848)

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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 324,001	\$ 304,813	\$ (19,188)
Miscellaneous revenues	16,000	1,822	(14,178)
Total revenues	<u>\$ 340,001</u>	<u>\$ 306,635</u>	<u>\$ (33,366)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 5,709,966	\$ 5,709,964	\$ 2
Interest	1,148,969	1,137,789	11,180
Total expenditures	<u>\$ 6,858,935</u>	<u>\$ 6,847,753</u>	<u>\$ 11,182</u>
Deficiency of revenues under expenditures	<u>\$ (6,518,934)</u>	<u>\$ (6,541,118)</u>	<u>\$ (22,184)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 6,470,426	\$ 6,465,447	\$ (4,979)
Transfers out	(12,545)	(11,469)	1,076
Refunding debt issued	13,435,001	13,435,000	(1)
Debt refunding payment	<u>(13,377,945)</u>	<u>(13,378,679)</u>	<u>(734)</u>
Total other financing sources and uses	<u>\$ 6,514,937</u>	<u>\$ 6,510,299</u>	<u>\$ (4,638)</u>
Net change in fund balances	\$ (3,997)	\$ (30,819)	\$ (26,822)
Fund balances - beginning	<u>484,768</u>	<u>484,768</u>	<u>0</u>
Fund balances - ending	<u>\$ 480,771</u>	<u>\$ 453,949</u>	<u>\$ (26,822)</u>

BREVARD COUNTY, FLORIDA

LOANS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Permits, fees and special assessments	\$ 7,956	\$ 17,881	\$ 9,925
EXPENDITURES			
Debt service:			
Principal	\$ 1,350,996	\$ 1,050,000	\$ 300,996
Interest	571,613	487,427	84,186
Total expenditures	\$ 1,922,609	\$ 1,537,427	\$ 385,182
Deficiency of revenues under expenditures	\$ (1,914,653)	\$ (1,519,546)	\$ 395,107
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 1,889,417	\$ 1,269,254	\$ (620,163)
Transfers out	(1,007)	(1,006)	1
Capital related debt issued	25,633	35,051	9,418
Total other financing sources and uses	\$ 1,914,043	\$ 1,303,299	\$ (610,744)
Net change in fund balances	\$ (610)	\$ (216,247)	\$ (215,637)
Fund balances - beginning	322,484	322,484	0
Increase in non-spendable	0	927	927
Fund balances - ending	\$ 321,874	\$ 107,164	\$ (214,710)

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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 14,433,307	\$ 13,927,460	\$ (505,847)
Miscellaneous revenues	82,500	41,121	(41,379)
Total revenues	<u>\$ 14,515,807</u>	<u>\$ 13,968,581</u>	<u>\$ (547,226)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 8,560,001	\$ 8,560,000	\$ 1
Interest	5,065,603	4,589,065	476,538
Total expenditures	<u>\$ 13,625,604</u>	<u>\$ 13,149,065</u>	<u>\$ 476,539</u>
Excess of revenues over expenditures	<u>\$ 890,203</u>	<u>\$ 819,516</u>	<u>\$ (70,687)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 577,000	\$ 591,949	\$ 14,949
Transfers out	(681,432)	(601,869)	79,563
Refunding debt issued	26,335,001	26,335,000	(1)
Debt refunding payment	(26,255,876)	(26,256,645)	(769)
Total other financing sources and uses	<u>\$ (25,307)</u>	<u>\$ 68,435</u>	<u>\$ 93,742</u>
Net change in fund balances	\$ 864,896	\$ 887,951	\$ 23,055
Fund balances - beginning	<u>3,535,414</u>	<u>3,535,414</u>	<u>0</u>
Fund balances - ending	<u>\$ 4,400,310</u>	<u>\$ 4,423,365</u>	<u>\$ 23,055</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 997,632	\$ 1,011,245	\$ 13,613
Miscellaneous revenues	<u>1,592,623</u>	<u>40,340</u>	<u>(1,552,283)</u>
Total revenues	<u>\$ 2,590,255</u>	<u>\$ 1,051,585</u>	<u>\$ (1,538,670)</u>
EXPENDITURES			
Capital outlay	\$ 13,706,273	\$ 4,703,638	\$ 9,002,635
Deficiency of revenues under expenditures	<u>\$ (11,116,018)</u>	<u>\$ (3,652,053)</u>	<u>\$ 7,463,965</u>
OTHER FINANCING USES			
Transfers out	\$ (348,400)	\$ (178,733)	\$ 169,667
Net change in fund balances	\$ (11,464,418)	\$ (3,830,786)	\$ 7,633,632
Fund balances - beginning	<u>15,225,151</u>	<u>15,225,151</u>	<u>0</u>
Fund balances - ending	<u>\$ 3,760,733</u>	<u>\$ 11,394,365</u>	<u>\$ 7,633,632</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, 2013

	<u>Final Budgeted Amounts</u>	<u>Actual Amount</u>	<u>Variance with final budget - Positive (Negative)</u>
REVENUES			
Miscellaneous revenues	\$ 52,632	\$ 19,742	\$ (32,890)
EXPENDITURES			
Capital outlay	\$ 10,668,951	\$ 7,253,571	\$ 3,415,380
Deficiency of revenues under expenditures	\$ (10,616,319)	\$ (7,233,829)	\$ 3,382,490
OTHER FINANCING SOURCES			
Capital related debt issued	\$ 6,155,113	\$ 6,161,905	\$ 6,792
Net change in fund balances	\$ (4,461,206)	\$ (1,071,924)	\$ 3,389,282
Fund balances - beginning	4,472,912	4,472,912	0
Fund balances - ending	<u>\$ 11,706</u>	<u>\$ 3,400,988</u>	<u>\$ 3,389,282</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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 0	\$ 15,701	\$ 15,701
Miscellaneous revenues	<u>22,027</u>	<u>17,345</u>	<u>(4,682)</u>
Total revenues	<u>\$ 22,027</u>	<u>\$ 33,046</u>	<u>\$ 11,019</u>
EXPENDITURES			
Capital outlay	<u>\$ 3,053,893</u>	<u>\$ 157,575</u>	<u>\$ 2,896,318</u>
Deficiency of revenues under expenditures	<u>\$ (3,031,866)</u>	<u>\$ (124,529)</u>	<u>\$ 2,907,337</u>
OTHER FINANCING USES			
Transfers out	<u>\$ (3,039,200)</u>	<u>\$ (1,194,563)</u>	<u>\$ 1,844,637</u>
Net change in fund balances	<u>\$ (6,071,066)</u>	<u>\$ (1,319,092)</u>	<u>\$ 4,751,974</u>
Fund balances - beginning	<u>6,781,007</u>	<u>6,781,007</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 709,941</u></u>	<u><u>\$ 5,461,915</u></u>	<u><u>\$ 4,751,974</u></u>

Nonmajor Enterprise Funds

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

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

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

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2013

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 8,682,540	\$ 312
Accounts receivable (net of allowance for uncollectibles)	14,498	20,003
Accrued interest receivable	13,014	134
Due from other governmental units	46,590	862,948
Inventories	0	0
Total current assets	\$ 8,756,642	\$ 883,397
Noncurrent assets:		
Capital assets:		
Land	\$ 0	\$ 228,520
Buildings and structures	0	1,843,462
Improvements to land	0	0
Improvements other than buildings	0	12,014
Machinery and equipment	0	19,774,125
Construction in progress	0	420,845
Less accumulated depreciation	0	(12,370,625)
Total noncurrent assets	\$ 0	\$ 9,908,341
Total assets	\$ 8,756,642	\$ 10,791,738
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	\$ 0	\$ 0
LIABILITIES		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 513,596	\$ 687,124
Due to other funds	0	51,000
Due to other governmental units	72,060	0
Accrued interest payable	0	0
Accrued compensated absences	0	37,471
Revenue bonds	0	0
Notes payable	0	0
Total current liabilities (payable from current assets)	\$ 585,656	\$ 775,595
Noncurrent liabilities:		
Revenue bonds payable (net of unamortized discounts)	\$ 0	\$ 0
Notes payable	0	0
Accrued compensated absences	0	327,951
Other postemployment benefits	0	594,893
Total noncurrent liabilities	\$ 0	\$ 922,844
Total liabilities	\$ 585,656	\$ 1,698,439
NET POSITION		
Net investment in capital assets	\$ 0	\$ 9,908,341
Unrestricted	8,170,986	(815,042)
Total net position	\$ 8,170,986	\$ 9,093,299

Activities - Enterprise Funds

<i>Brevard County Golf Courses</i>	<i>Total</i>
\$ 1,634,987	\$ 10,317,839
8,665	43,166
2,429	15,577
482,147	1,391,685
70,684	70,684
<u>\$ 2,198,912</u>	<u>\$ 11,838,951</u>
\$ 1,943,379	\$ 2,171,899
2,961,155	4,804,617
7,837,002	7,837,002
131,718	143,732
920,896	20,695,021
696,472	1,117,317
(8,365,071)	(20,735,696)
<u>\$ 6,125,551</u>	<u>\$ 16,033,892</u>
<u>\$ 8,324,463</u>	<u>\$ 27,872,843</u>
<u>\$ 20,707</u>	<u>\$ 20,707</u>
\$ 436,414	\$ 1,637,134
0	51,000
6,237	78,297
33,944	33,944
13,974	51,445
710,204	710,204
207,000	207,000
<u>\$ 1,407,773</u>	<u>\$ 2,769,024</u>
\$ 2,949,288	\$ 2,949,288
828,000	828,000
70,023	397,974
62,652	657,545
<u>\$ 3,909,963</u>	<u>\$ 4,832,807</u>
<u>\$ 5,317,736</u>	<u>\$ 7,601,831</u>
\$ 1,451,766	\$ 11,360,107
1,575,668	8,931,612
<u>\$ 3,027,434</u>	<u>\$ 20,291,719</u>

BREVARD COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 NONMAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
Operating revenues:		
Service fees	\$ 11,503,058	\$ 1,550,784
Less cost of goods sold	0	0
Total operating revenues	<u>\$ 11,503,058</u>	<u>\$ 1,550,784</u>
Operating expenses:		
Wages and benefits	\$ 0	\$ 4,582,055
Repair, maintenance, and other services	11,822,580	3,137,234
Materials and supplies	0	2,384,089
Depreciation	0	2,410,342
Total operating expenses	<u>\$ 11,822,580</u>	<u>\$ 12,513,720</u>
Operating income (loss)	<u>\$ (319,522)</u>	<u>\$ (10,962,936)</u>
Nonoperating revenues (expenses):		
Income on investments	\$ 60,708	\$ 181
Interest expense	0	0
Miscellaneous revenue	231,450	4,343
Grants and matching funds	24,170	7,034,603
Gain on disposal of capital assets	0	154,174
Total nonoperating revenue (expense)	<u>\$ 316,328</u>	<u>\$ 7,193,301</u>
Income (loss) before contributions and transfers	\$ (3,194)	\$ (3,769,635)
Capital contributions	0	1,659,570
Transfers in	0	1,312,738
Transfers out	(257,696)	0
Change in net position	<u>\$ (260,890)</u>	<u>\$ (797,327)</u>
Net position - beginning	\$ 8,431,876	\$ 9,890,626
Restatement of net position due to implementation of GASB Nos. 63 and 65	0	0
Net position - beginning, restated	<u>\$ 8,431,876</u>	<u>\$ 9,890,626</u>
Net position - ending	<u>\$ 8,170,986</u>	<u>\$ 9,093,299</u>

Activities - Enterprise Funds

<u>Brevard County Golf Courses</u>	<u>Total</u>
\$ 2,780,110	\$ 15,833,952
(99,217)	(99,217)
<u>\$ 2,680,893</u>	<u>\$ 15,734,735</u>
\$ 503,693	\$ 5,085,748
2,028,015	16,987,829
29,345	2,413,434
453,502	2,863,844
<u>\$ 3,014,555</u>	<u>\$ 27,350,855</u>
<u>\$ (333,662)</u>	<u>\$ (11,616,120)</u>
\$ 9,461	\$ 70,350
(123,671)	(123,671)
0	235,793
0	7,058,773
(246)	153,928
<u>\$ (114,456)</u>	<u>\$ 7,395,173</u>
\$ (448,118)	\$ (4,220,947)
338	1,659,908
789,974	2,102,712
(271,493)	(529,189)
<u>\$ 70,701</u>	<u>\$ (987,516)</u>
<u>\$ 2,965,003</u>	<u>\$ 21,287,505</u>
(8,270)	(8,270)
<u>\$ 2,956,733</u>	<u>\$ 21,279,235</u>
<u>\$ 3,027,434</u>	<u>\$ 20,291,719</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Nonmajor</i>
	<i>Solid Waste Collection Services</i>
Cash flows from operating activities:	
Cash receipts for service fees	\$ 11,516,183
Cash receipts from other sources	220,706
Cash payments to employees for services	0
Cash payments to suppliers for goods and services	(12,177,920)
Net cash from operating activities	\$ (441,031)
Cash flows from noncapital financing activities:	
Grant receipts	\$ 0
Transfers in	0
Transfers out	(257,696)
Interfund loans	0
Net cash flows from noncapital financing activities	\$ (257,696)
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
Net cash flows from capital and related financing activities	\$ 0
Cash flows from investing activities:	
Interest on investments	\$ 61,084
Net increase (decrease) in cash and cash equivalents	\$ (637,643)
Cash and cash equivalents, October 1, 2012	9,320,183
Cash and cash equivalents, September 30, 2013	\$ 8,682,540
Reconciliation of operating income (loss) to net cash flows from operating activities	
Operating income (loss)	\$ (319,522)
Adjustments to reconcile operating income (loss) to net cash from operating activities:	
Depreciation expense	\$ 0
Miscellaneous revenue	231,450
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	9,372
(Increase) decrease in due from other funds	(434)
(Increase) decrease in due from other governmental units	3
(Increase) decrease in inventories	0
(Increase) decrease in allowance for uncollectible accounts	(6,773)
Increase (decrease) in accrued compensated absences	0
Increase (decrease) in other postemployment benefits	0
Increase (decrease) in vouchers and contracts payable	(427,187)
Increase (decrease) in unearned revenue	0
Increase (decrease) in due to other governmental units	72,060
Total adjustment	\$ (121,509)
Net cash from operating activities	\$ (441,031)
Capital contributed by developers, individuals, and governmental entities	\$ 0

Business-type Activities - Enterprise Funds

<u>Space Coast Area Transit</u>	<u>Brevard County Golf Courses</u>	<u>Total</u>
\$ 1,538,961	\$ 2,742,289	\$ 15,797,433
4,343	0	225,049
(4,574,154)	(515,318)	(5,089,472)
(5,378,924)	(2,166,546)	(19,723,390)
<u>\$ (8,409,774)</u>	<u>\$ 60,425</u>	<u>\$ (8,790,380)</u>
\$ 7,538,810	\$ 0	\$ 7,538,810
1,312,738	789,974	2,102,712
0	(271,493)	(529,189)
(166,152)	0	(166,152)
<u>\$ 8,685,396</u>	<u>\$ 518,481</u>	<u>\$ 8,946,181</u>
\$ 0	\$ 1,035,000	\$ 1,035,000
0	(793,038)	(793,038)
0	(124,240)	(124,240)
1,659,570	0	1,659,570
(2,090,133)	(309,176)	(2,399,309)
154,670	116	154,786
<u>\$ (275,893)</u>	<u>\$ (191,338)</u>	<u>\$ (467,231)</u>
\$ 48	\$ 7,465	\$ 68,597
\$ (223)	\$ 395,033	\$ (242,833)
535	1,239,954	10,560,672
<u>\$ 312</u>	<u>\$ 1,634,987</u>	<u>\$ 10,317,839</u>
<u>\$ (10,962,936)</u>	<u>\$ (333,662)</u>	<u>\$ (11,616,120)</u>
\$ 2,410,342	\$ 453,502	\$ 2,863,844
4,343	0	235,793
(1,115)	(1,915)	6,342
0	0	(434)
19,568	14,180	33,751
0	(3,144)	(3,144)
0	0	(6,773)
5,571	(8,921)	(3,350)
38,966	2,375	41,341
95,487	(60,267)	(391,967)
(20,000)	0	(20,000)
0	(1,723)	70,337
<u>\$ 2,553,162</u>	<u>\$ 394,087</u>	<u>\$ 2,825,740</u>
<u>\$ (8,409,774)</u>	<u>\$ 60,425</u>	<u>\$ (8,790,380)</u>
<u>\$ 0</u>	<u>\$ 338</u>	<u>\$ 338</u>



Internal Service Funds

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

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

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2013

	<u>Information Systems</u>	<u>Risk Management</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash	\$ 1,240,519	\$ 46,942,024	\$ 48,182,543
Cash with escrow and paying agent	0	1,224,832	1,224,832
Accounts receivable	35,805	142,763	178,568
Accrued interest receivable	2,100	69,828	71,928
Due from other funds	0	1,114,349	1,114,349
Due from other governmental units	0	9,914	9,914
Prepaid items	369,597	1,374,485	1,744,082
Total current assets	<u>\$ 1,648,021</u>	<u>\$ 50,878,195</u>	<u>\$ 52,526,216</u>
Noncurrent assets:			
Capital assets:			
Machinery and equipment	\$ 7,035,046	\$ 118,212	\$ 7,153,258
Less accumulated depreciation	(5,163,444)	(73,543)	(5,236,987)
Advances to component units	0	43,912	43,912
Total noncurrent assets	<u>\$ 1,871,602</u>	<u>\$ 88,581</u>	<u>\$ 1,960,183</u>
Total assets	<u>\$ 3,519,623</u>	<u>\$ 50,966,776</u>	<u>\$ 54,486,399</u>
LIABILITIES			
Current liabilities:			
Vouchers and contracts payable	\$ 115,891	\$ 668,486	\$ 784,377
Claims payable	0	7,756,012	7,756,012
Accrued compensated absences	57,235	12,777	70,012
Leases payable	120,177	0	120,177
Total current liabilities	<u>\$ 293,303</u>	<u>\$ 8,437,275</u>	<u>\$ 8,730,578</u>
Noncurrent liabilities:			
Claims payable	\$ 0	\$ 8,959,805	\$ 8,959,805
Leases payable	251,450	0	251,450
Accrued compensated absences	115,514	140,878	256,392
Other postemployment benefits	207,443	105,887	313,330
Total noncurrent liabilities	<u>\$ 574,407</u>	<u>\$ 9,206,570</u>	<u>\$ 9,780,977</u>
Total liabilities	<u>\$ 867,710</u>	<u>\$ 17,643,845</u>	<u>\$ 18,511,555</u>
NET POSITION			
Net investment in capital assets	\$ 1,499,975	\$ 44,669	\$ 1,544,644
Unrestricted	1,151,938	33,278,262	34,430,200
Total net position	<u>\$ 2,651,913</u>	<u>\$ 33,322,931</u>	<u>\$ 35,974,844</u>

BREVARD COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Information Systems</u>	<u>Risk Management</u>	<u>Total</u>
Operating revenues:			
Service fees	\$ 4,267,951	\$ 51,319,177	\$ 55,587,128
Operating expenses:			
Wages and benefits	\$ 2,578,906	\$ 1,072,997	\$ 3,651,903
Repair, maintenance, and other services	2,813,924	6,639,626	9,453,550
Materials and supplies	107,635	19,396	127,031
Depreciation	449,220	8,158	457,378
Insurance claims expense	0	48,397,507	48,397,507
Total operating expenses	<u>\$ 5,949,685</u>	<u>\$ 56,137,684</u>	<u>\$ 62,087,369</u>
Operating income (loss)	<u>\$ (1,681,734)</u>	<u>\$ (4,818,507)</u>	<u>\$ (6,500,241)</u>
Nonoperating revenues (expenses):			
Income on investments	\$ 2,394	\$ 182,834	\$ 185,228
Miscellaneous revenue	11,195	2,034,193	2,045,388
Gain (loss) on disposal of capital assets	(4,256)	0	(4,256)
Interest expense	<u>(14,649)</u>	<u>0</u>	<u>(14,649)</u>
Total nonoperating revenues (expenses)	<u>\$ (5,316)</u>	<u>\$ 2,217,027</u>	<u>\$ 2,211,711</u>
Income (loss) before contributions and transfers	\$ (1,687,050)	\$ (2,601,480)	\$ (4,288,530)
Capital contributions	1,092	161	1,253
Transfers in	<u>2,094,685</u>	<u>0</u>	<u>2,094,685</u>
Change in net position	\$ 408,727	\$ (2,601,319)	\$ (2,192,592)
Net position - beginning	<u>2,243,186</u>	<u>35,924,250</u>	<u>38,167,436</u>
Net position - ending	<u>\$ 2,651,913</u>	<u>\$ 33,322,931</u>	<u>\$ 35,974,844</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
Cash flows from operating activities:			
Cash receipts for service fees	\$ 4,270,081	\$ 51,384,276	\$ 55,654,357
Cash receipts from other sources	11,031	1,903,166	1,914,197
Cash payments to employees for services	(2,626,867)	(1,066,349)	(3,693,216)
Cash payments to suppliers for goods and services	(3,114,187)	(6,741,786)	(9,855,973)
Cash payments for insurance claims	0	(48,169,621)	(48,169,621)
Net cash from operating activities	<u>\$ (1,459,942)</u>	<u>\$ (2,690,314)</u>	<u>\$ (4,150,256)</u>
Cash flows from noncapital financing activities:			
Transfers in	\$ 2,094,685	\$ 0	\$ 2,094,685
Interfund loans	0	1,519,647	1,519,647
Advances to component units	0	(43,912)	(43,912)
Net cash flows from noncapital financing activities	<u>\$ 2,094,685</u>	<u>\$ 1,475,735</u>	<u>\$ 3,570,420</u>
Cash flows from capital and related financing activities:			
Principal payments	\$ (116,840)	\$ 0	\$ (116,840)
Interest payments	(14,649)	0	(14,649)
Payments to acquire, construct, or improve capital assets	(1,017,354)	(37,990)	(1,055,344)
Proceeds from disposal of capital assets	338	4	342
Net cash flows from capital and related financing activities	<u>\$ (1,148,505)</u>	<u>\$ (37,986)</u>	<u>\$ (1,186,491)</u>
Cash flows from investing activities:			
Interest on investments	\$ 2,519	\$ 178,140	\$ 180,659
Net increase (decrease) in cash and cash equivalents	<u>\$ (511,243)</u>	<u>\$ (1,074,425)</u>	<u>\$ (1,585,668)</u>
Cash and cash equivalents, October 1, 2012	<u>1,751,762</u>	<u>49,241,281</u>	<u>50,993,043</u>
Cash and cash equivalents, September 30, 2013	<u><u>\$ 1,240,519</u></u>	<u><u>\$ 48,166,856</u></u>	<u><u>\$ 49,407,375</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	<u>\$ (1,681,734)</u>	<u>\$ (4,818,507)</u>	<u>\$ (6,500,241)</u>
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation expense	\$ 449,220	\$ 8,158	\$ 457,378
Miscellaneous revenues	11,195	2,034,193	2,045,388
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	1,966	(133,915)	(131,949)
(Increase) decrease in due from other funds	0	(8,735)	(8,735)
(Increase) decrease in due from other governmental units	0	2,348	2,348
(Increase) decrease in prepaid items	(238,098)	53,299	(184,799)
Increase (decrease) in accrued compensated absences	(66,019)	8,388	(57,631)
Increase (decrease) in other postemployment benefits	18,058	7,223	25,281
Increase (decrease) vouchers and contracts payable	45,470	9,447	54,917
Increase (decrease) in claims payable	0	308,961	308,961
Increase (decrease) in due to other funds	0	(25,276)	(25,276)
Increase (decrease) in due to other governmental units	0	(135,898)	(135,898)
Total adjustments	<u>\$ 221,792</u>	<u>\$ 2,128,193</u>	<u>\$ 2,349,985</u>
Net cash from operating activities	<u><u>\$ (1,459,942)</u></u>	<u><u>\$ (2,690,314)</u></u>	<u><u>\$ (4,150,256)</u></u>
Non-cash investing, capital, and financing activities:			
Capital contributed by developers, individuals, and governmental entities	<u>\$ 1,092</u>	<u>\$ 161</u>	<u>\$ 1,253</u>

Agency Funds

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

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

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

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

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2013

	<i>Board Agency Funds</i>	<i>Sheriff Agency Funds</i>
	<u> </u>	<u> </u>
ASSETS		
Cash	\$ 447,587	\$ 38,451
Accounts receivable	0	0
Accrued interest receivable	660	0
Due from other governmental units	0	0
Total assets	<u>\$ 448,247</u>	<u>\$ 38,451</u>
LIABILITIES		
Due to employees, individuals, and others	\$ 90,094	\$ 38,451
Due to other governmental units	6,722	0
Escrow and refundable deposits	351,431	0
Total liabilities	<u>\$ 448,247</u>	<u>\$ 38,451</u>

<i>Clerk Agency Funds</i>	<i>Tax Collector Agency Funds</i>	<i>Total</i>
\$ 19,010,639	\$ 9,085,056	\$ 28,581,733
68,018	439,814	507,832
0	0	660
120,504	11,455	131,959
<u>\$ 19,199,161</u>	<u>\$ 9,536,325</u>	<u>\$ 29,222,184</u>
\$ 983,716	\$ 7,303,264	\$ 8,415,525
1,752,739	2,233,061	3,992,522
16,462,706	0	16,814,137
<u>\$ 19,199,161</u>	<u>\$ 9,536,325</u>	<u>\$ 29,222,184</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Balance</u> <u>Oct. 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Sept. 30, 2013</u>
<u>Board Agency</u>				
ASSETS:				
Cash	\$ 441,340	\$ 201,885	\$ 195,638	\$ 447,587
Accrued interest receivable	617	660	617	660
TOTAL ASSETS	<u>\$ 441,957</u>	<u>\$ 202,545</u>	<u>\$ 196,255</u>	<u>\$ 448,247</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 90,477	\$ 1,625	\$ 2,008	\$ 90,094
Due to other governmental units	16	11,756	5,050	6,722
Escrow and refundable deposits	351,464	188,547	188,580	351,431
TOTAL LIABILITIES	<u>\$ 441,957</u>	<u>\$ 201,928</u>	<u>\$ 195,638</u>	<u>\$ 448,247</u>
 <u>Sheriff Agency</u>				
ASSETS:				
Cash	<u>\$ 85,876</u>	<u>\$ 2,119,318</u>	<u>\$ 2,166,743</u>	<u>\$ 38,451</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 47,204	\$ 1,820,357	\$ 1,829,110	\$ 38,451
Due to other governmental units	38,672	38,100	76,772	0
TOTAL LIABILITIES	<u>\$ 85,876</u>	<u>\$ 1,858,457</u>	<u>\$ 1,905,882</u>	<u>\$ 38,451</u>
 <u>Clerk Agency</u>				
ASSETS:				
Cash	\$ 25,129,417	\$ 225,055,650	\$ 231,174,428	\$ 19,010,639
Accounts receivable	60,914	20,708,851	20,701,747	68,018
Due from other governmental units	150,519	12,057,202	12,087,217	120,504
TOTAL ASSETS	<u>\$ 25,340,850</u>	<u>\$ 257,821,703</u>	<u>\$ 263,963,392</u>	<u>\$ 19,199,161</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 898,756	\$ 89,239,874	\$ 89,154,914	\$ 983,716
Due to other governmental units	2,355,138	73,904,561	74,506,960	1,752,739
Escrow and refundable deposits	22,086,956	94,677,268	100,301,518	16,462,706
TOTAL LIABILITIES	<u>\$ 25,340,850</u>	<u>\$ 257,821,703</u>	<u>\$ 263,963,392</u>	<u>\$ 19,199,161</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Balance</u> <u>Oct. 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Sept. 30, 2013</u>
<u>Tax Collector Agency</u>				
ASSETS:				
Cash	\$ 10,079,487	\$ 671,771,046	\$ 672,765,477	\$ 9,085,056
Accounts receivable	503,917	116,122	180,225	439,814
Accrued interest receivable	5,157	0	5,157	0
Due from other governmental units	11,900	3,960	4,405	11,455
TOTAL ASSETS	<u>\$ 10,600,461</u>	<u>\$ 671,891,128</u>	<u>\$ 672,955,264</u>	<u>\$ 9,536,325</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 8,232,411	\$ 31,741,637	\$ 32,670,784	\$ 7,303,264
Due to other governmental units	2,368,050	640,152,605	640,287,594	2,233,061
TOTAL LIABILITIES	<u>\$ 10,600,461</u>	<u>\$ 671,894,242</u>	<u>\$ 672,958,378</u>	<u>\$ 9,536,325</u>
<u>TOTAL - ALL FIDUCIARY FUNDS</u>				
ASSETS:				
Cash	\$ 35,736,120	\$ 899,147,899	\$ 906,302,286	\$ 28,581,733
Accounts receivable	564,831	20,824,973	20,881,972	507,832
Accrued interest receivable	5,774	660	5,774	660
Due from other governmental units	162,419	12,061,162	12,091,622	131,959
TOTAL ASSETS	<u>\$ 36,469,144</u>	<u>\$ 932,034,694</u>	<u>\$ 939,281,654</u>	<u>\$ 29,222,184</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 9,268,848	\$ 122,803,493	\$ 123,656,816	\$ 8,415,525
Due to other governmental units	4,761,876	714,107,022	714,876,376	3,992,522
Escrow and refundable deposits	22,438,420	94,865,815	100,490,098	16,814,137
TOTAL LIABILITIES	<u>\$ 36,469,144</u>	<u>\$ 931,776,330</u>	<u>\$ 939,023,290</u>	<u>\$ 29,222,184</u>



Component Units

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

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

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

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

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

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
SEPTEMBER 30, 2013

	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 7,032	\$ 2,331,861
Investments	0	0
Receivables:		
Receivables (net of allowance for uncollectibles)	0	0
Accrued interest receivable	0	3,501
Due from other governmental units	0	0
Prepaid items	0	0
Capital assets:		
Land	0	0
Buildings and structures	0	0
Improvements to land	0	0
Improvements other than buildings	0	0
Machinery and equipment	0	0
Construction in progress	0	0
Less accumulated depreciation	0	0
Total assets	<u>\$ 7,032</u>	<u>\$ 2,335,362</u>
LIABILITIES		
Accounts payable	\$ 0	\$ 432,171
Accrued liabilities	0	0
Advance payments	0	0
Unearned revenue	0	0
Noncurrent liabilities:		
Due within one year:		
Accrued compensated absences	0	0
Notes payable	0	0
Due in more than one year:		
Other postemployment benefits	0	0
Advances from primary government	0	0
Notes payable	0	0
Total liabilities	<u>\$ 0</u>	<u>\$ 432,171</u>
NET POSITION		
Net investment in capital assets	\$ 0	\$ 0
Restricted for Housing	0	0
Unrestricted	7,032	1,903,191
Total net position	<u>\$ 7,032</u>	<u>\$ 1,903,191</u>

<i>North Brevard Economic Development Zone</i>	<i>Titusville- Cocoa Airport Authority</i>	<i>Housing Finance Authority</i>	<i>Total</i>
\$ 0	\$ 2,319,829	\$ 5,330,954	\$ 9,989,676
0	0	1,036,152	1,036,152
0	48,471	660,393	708,864
0	0	0	3,501
0	910,382	0	910,382
0	6,385	0	6,385
0	14,204,818	0	14,204,818
0	21,023,450	0	21,023,450
0	1,462,466	0	1,462,466
0	22,635,796	0	22,635,796
0	2,797,012	0	2,797,012
0	4,382,149	0	4,382,149
0	(18,915,990)	0	(18,915,990)
<u>\$ 0</u>	<u>\$ 50,874,768</u>	<u>\$ 7,027,499</u>	<u>\$ 60,244,661</u>
\$ 0	\$ 918,336	\$ 20,350	\$ 1,370,857
0	112,834	0	112,834
0	202,120	0	202,120
0	0	40,060	40,060
0	107,288	0	107,288
0	192,106	0	192,106
0	132,197	0	132,197
43,912	0	0	43,912
0	834,342	0	834,342
<u>\$ 43,912</u>	<u>\$ 2,499,223</u>	<u>\$ 60,410</u>	<u>\$ 3,035,716</u>
\$ 0	\$ 46,563,253	\$ 0	\$ 46,563,253
0	0	500,000	500,000
(43,912)	1,812,292	6,467,089	10,145,692
<u>\$ (43,912)</u>	<u>\$ 48,375,545</u>	<u>\$ 6,967,089</u>	<u>\$ 57,208,945</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Functions/</i>	
	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
Expenses	\$ <u>2,366</u>	\$ <u>1,936,096</u>
Program revenues:		
Charges for services	\$ 3,240	\$ 0
Capital grants and contributions	<u>0</u>	<u>0</u>
Total program revenues	<u>\$ 3,240</u>	<u>\$ 0</u>
Net program revenue (expenses)	<u>\$ 874</u>	<u>\$ (1,936,096)</u>
General revenues:		
Taxes:		
Other	\$ 0	\$ 814,695
Interest income	0	9,115
Miscellaneous	<u>0</u>	<u>13,407</u>
Total general revenues	<u>\$ 0</u>	<u>\$ 837,217</u>
Changes in net position	\$ 874	\$ (1,098,879)
Net position - beginning	<u>6,158</u>	<u>3,002,070</u>
Net position - ending	<u><u>\$ 7,032</u></u>	<u><u>\$ 1,903,191</u></u>

<i>North Brevard Economic Development Zone</i>	<i>Programs</i>		<i>Total</i>
	<i>Titusville- Cocoa Airport Authority</i>	<i>Housing Finance Authority</i>	
\$ 75,139	\$ 3,117,566	\$ 163,716	\$ 5,294,883
\$ 0	\$ 2,124,476	\$ 1,468,940	\$ 3,596,656
0	4,076,022	0	4,076,022
\$ 0	\$ 6,200,498	\$ 1,468,940	\$ 7,672,678
\$ (75,139)	\$ 3,082,932	\$ 1,305,224	\$ 2,377,795
\$ 31,207	\$ 0	\$ 0	\$ 845,902
20	825	(17,281)	(7,321)
0	0	0	13,407
\$ 31,227	\$ 825	\$ (17,281)	\$ 851,988
\$ (43,912)	\$ 3,083,757	\$ 1,287,943	\$ 3,229,783
0	45,291,788	5,679,146	53,979,162
\$ (43,912)	\$ 48,375,545	\$ 6,967,089	\$ 57,208,945



BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2013

DREYARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2013

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Federal Expenditures</i>
PRIMARY GOVERNMENT			
DEPARTMENT OF AGRICULTURE:			
Passed through the Florida Department of Agriculture & Consumer Services			
Community/School Garden Grant	019793	10.170	\$ 2,872
Summer Food Service Program	04-0614	10.559	\$ 85,190
Passed through the Florida Department of Education			
School Breakfast/Lunch Program	01-0221	10.555	\$ 9,825
Total Department of Agriculture			<u>\$ 97,887</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			
Community Development Block Grant (CDBG)	B-12-UC-12-0011	14.218	\$ 1,491,379
Community Planning and Development Neighborhood Stabilization (NSP)	B-08-UN-12-0001	14.218	869,613
Community Planning and Development Neighborhood Stabilization (NSP 3)	B-11-UN-12-0001	14.218	1,811,486
			<u>\$ 4,172,478</u>
Passed through the Department of Economic Opportunity			
Disaster Recovery Enhancement Fund (DREIF)	12DB-P5-06-15-01-K42	14.228	\$ 1,009,946
Disaster Recovery CDBG-T.S. Fay	10DB-K4-06-15-01-K04	14.228	2,869,263
			<u>\$ 3,879,209</u>
HOMR Investment Partnership Program	M12-DC-12-0200	14.239	\$ 2,122,421
Total Department of Housing and Urban Development			<u>\$ 10,174,108</u>
DEPARTMENT OF THE INTERIOR:			
Fish and Wildlife Service			
Invasive/Exotic Plant Removal	1448-40181-02-J-042	15.230	\$ 4,688
North Buck Lake Scrub Sanctuary	F13AC00713	15.631	\$ 11,166
Passed through Florida Department of Environmental Protection			
Clean Vessel Act	MV112	15.616	\$ 544
Total Department of the Interior			<u>\$ 16,398</u>
DEPARTMENT OF JUSTICE:			
Safe Havens Grant	2010-CW-AX-K026	16.013	\$ 12,785
Passed through the Florida Office of the Attorney General			
VOCA	V12145	16.575	\$ 102,752
Passed through the Florida Department of Law Enforcement			
Justice Assistance Grant Program FY 2011	2011-DJ-BX-2252	16.738	\$ 39,939
Justice Assistance Grant Program FY 2012	2012-DJ-BX-0040	16.738	49,702
Prisoner Transportation/Booking System Improvement	2013-JAGC-BREV-1-D7-184	16.738	165,598
			<u>\$ 255,239</u>
DNA Database Infrastructure Expansion to Support all Arrestee Legislation	2013-ARRC-BREV-1-W7-362	16.803	\$ 341,334
Total Department of Justice			<u>\$ 712,110</u>
DEPARTMENT OF TRANSPORTATION:			
Federal Aviation Administration			
Passed through the Florida Department of Transportation			
Rehabilitate Main Apron/Taxiway B Construction & Taxiway A-Design	3-12-0144-004-2011	20.106	\$ 933,494
Construction Taxiway A & Runway 10/28 Design	3-12-0144-005-2012	20.106	2,047,126
			<u>\$ 2,980,620</u>
Federal Highway Administration			
Passed through the Florida Department of Transportation			
A1 Tuttle Trail Construction	AQM44	20.205	\$ 382,726
St Johns Heritage Parkway	AQF56	20.205	103,971
Countywide Intelligent Transportation System	AQC02	20.205	202,205
			<u>\$ 688,902</u>

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2013

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Federal Expenditures</i>
DEPARTMENT OF TRANSPORTATION (CONT):			
Federal Transit Administration			
FL90-X589-00	FTA G-12	20 507	* \$ 273,205
FL90-X644-00	FTA G-14	20 507	* 189,847
FL90-X698-00	FTA G-15	20 507	* 125,817
FL90-X670-00	FTA G-14	20 507	* 192,283
FL90-X725-00	FTA G-16	20 507	* 1,048
FL90-X762-00	FTA G-18	20 507	* 1,251,891
FL90-X791-00	FTA G-18	20 507	* 2,939,397
			\$ 4,973,488
FL-37-X074-00 JARC	FTA G-18	20 516	\$ 160,234
FL-37-X064-00 JARC	FTA G-17	20 516	100,041
			\$ 260,275
Total Federal Transit Administration			\$ 5,233,763
Total Department of Transportation			\$ 8,903,285
GENERAL SERVICES ADMINISTRATION:			
Passed through the Florida Bureau of Federal Property Assistance			
Federal Surplus Property Donation Program		39.003	\$ 12,392
ENVIRONMENTAL PROTECTION AGENCY:			
Passed through the Florida Department of Environmental Protection			
Brevard South Lake Water Quality	G0266	66.460	\$ 285,300
U. S. ELECTION ASSISTANCE COMMISSION:			
Passed through the Florida Department of State			
Federal Election Activities	FY2011-2012 Award	90.401	\$ 63,797
DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Substance Abuse and Mental Health Services Admin			
Drug Court Expansion & Enhancement of Substance Abuse Treatment (EESAT)	5H79TI021901-03	93 243	\$ 18,919
Juvenile Drug Court Expansion of Substance Abuse Treatment (ESAT)	5H79TI023037-03	93 243	394,765
Adult Drug Court	1H79TI024200-01	93 243	164,157
			\$ 577,841
Passed through the Florida Department of Revenue			
Child Support Enforcement	CD305	93.563	\$ 482,798
Service of Process	CSP05	93 563	37,283
			\$ 520,081
Passed through the Florida Department of Economic Opportunity			
Low Income Energy Assistance (LIHEAP)	12EA-0F-06-15-01-003	93 568	\$ 534,845
Low Income Energy Assistance (LIHEAP)	13EA-0F-06-15-01-003	93 568	708,451
WAP-Low Income Energy Assistance (LIHEAP)	12LH-9Z-06-15-01-004	93 568	279,116
WAP/WAP LIHEAP-Weatherization Assistance Program	13WX-0G-06-15-01-004	93 568	11,007
			\$ 1,533,419
Community Action Agency (CSBG)	13SB-FZ-06-15-01-002	93.569	\$ 240,757
Passed through the Florida Department of Children and Families			
Foster Care Title IVE (CBC)	RGC1104	93 658	\$ 184,983
Foster Care Waiver Title IVE	YGJ01	93.658	62,346
			\$ 247,329
Social Services Block Grant	RGC1104	93.667	\$ 100,900
Passed through the Florida Department of State			
Division of Elections			
FY 2008 HHS VOTE Program Grant	2012-2013-0003	93.617	\$ 15,453
Total Department of Health and Human Services			\$ 3,235,780
EXECUTIVE OFFICE OF THE PRESIDENT:			
High Intensity Drug Trafficking Areas Program	HIDTA-G11CF0013A	95.001	\$ 53,323
High Intensity Drug Trafficking Areas Program	HIDTA-G12CF0013A	95.001	39,258
High Intensity Drug Trafficking Areas Program	HIDTA-G13CF0013A	95.001	15,620
Total Executive Office of The President			\$ 108,201

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2013

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Federal Expenditures</i>
DEPARTMENT OF HOMELAND SECURITY:			
Passed through the Florida Division of Emergency Management			
Pluckebaum & Range Roads Drainage Improvements	11HM-3E-06-15-01-018	97.039	* \$ 478,124
Sarno Lakes Drainage Phase II	12HM-2W-06-15-01-002	97.039	* 3,184,776
			\$ 3,662,900
Emergency Management Preparedness and Assistance Grant (SLA)	13-FG-86-06-15-01-072	97.042	\$ 117,152
Emergency Management Preparedness and Assistance Grant (SLA)	14-FG-1M-06-15-01-072	97.042	12,256
			\$ 129,408
FEMA Assistance to Fire Fighters Grant 2011	EMW-2011-FO-07575	97.044	* \$ 244,880
FEMA Assistance to Fire Fighters Grant 2012	EMW-2012-FO-01075	97.044	* 738,103
			\$ 982,983
Eau Gallie Drainage Improvements	12DM-8Z-11-16-01-400	97.047	\$ 4,683
Homeland Security Issue 07	10-DS-39-06-15-01-324	97.067	\$ 8,001
Hazardous Materials Planning Assistance	12-DS-20-06-15-01-516	97.067	39,492
Homeland Security Grant Program Issue 3,8	11-DS-9Z-06-15-01-290	97.067	87,904
Homeland Security Grant Program Issue 2	12-DS-20-06-15-01-486	97.067	24,415
Citizens Corps and Community Emergency Response Team Program	13-CI-A6-06-15-01-403	97.067	15,747
Citizens Corps and Community Emergency Response Team Program	12-CI-24-06-15-01-389	97.067	2,190
2010 State Homeland Security Grant	11-DS-9Z-13-00-16-436	97.067	18,571
2011 State Homeland Security Grant	12-DS-20-13-00-16-501	97.067	17,804
			\$ 214,124
Total Department of Homeland Security			\$ 4,994,098
AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)			
DEPARTMENT OF TRANSPORTATION:			
Federal Transit Administration			
ARRA-FL-96-X023-00	FTA G-15	20.507	* \$ 109,629
DEPARTMENT OF ENERGY:			
Passed through the Florida Department of Economic Opportunity			
WAP/WAP LIHEAP-Weatherization Assistance Grant	13WX-0G-06-15-01-004	81.042	\$ 21,059
TOTAL EXPENDITURES OF FEDERAL AWARDS - PRIMARY GOVERNMENT			\$ 28,734,044
COMPONENT UNITS - TITUSVILLE-COCOA AIRPORT AUTHORITY			
DEPARTMENT OF TRANSPORTATION:			
Federal Aviation Administration			
Improvement Program			
COI RSA Environmental II	31200130172011	20.106	\$ 25,621
TIX Fence, Signs & Wildlife	31200800232011	20.106	21,288
TIX TWB/AWOS & REHAB	31200800242012	20.106	1,140,892
TIX West Apron Rehab	31200800252012	20.106	104,827
COI RSA Design	31200130182013	20.106	900
Total Department of Transportation			\$ 1,293,528
TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY			\$ 30,027,572

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2013

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CFDA/ 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)	13-BG-83-06-15-01-005	31.063	\$ 101,146
Emergency Management Preparedness and Assistance Grant (EMPA)	14-BG-83-06-15-01-005	31.063	493
			<u>\$ 101,639</u>
Hazardous Material Planning Assistance	13-CP-11-06-15-01-218	31.067	\$ 9,746
Total Executive Office of the Governor			<u>\$ 111,385</u>
DEPARTMENT OF ENVIRONMENTAL PROTECTION:			
Brevard County Beach Restoration Project	05BE1	37.003	\$ 43,399
Brevard County Shore Protection Project (North & South Reaches)	11BE1	37.003	61,993
			<u>\$ 105,392</u>
Petroleum Contamination Site Cleanup	S0478	37.024	\$ 333,452
Chain of Lakes Pond Expansion Stage 2	S0620	37.039	\$ 197,625
Valkaria Lakes	G0249	37.039	5,015
			<u>\$ 202,640</u>
Total Department of Environmental Protection			<u>\$ 641,484</u>
DEPARTMENT OF STATE:			
Division of Library and Information Services			
State Aid to Libraries	13-ST-01	45.030	\$ 418,567
FLORIDA HOUSING FINANCE CORPORATION:			
Housing and Human Services Department			
State Housing Initiative Program Trust Fund	RESOLUTION 2012-101	52.901	\$ 611,527
DEPARTMENT OF TRANSPORTATION:			
Commission for the Transportation Disadvantaged			
Transportation Disadvantaged Trip/Equipment Grant	AR150	55.001	* \$ 311,505
Transportation Disadvantaged Trip/Equipment Grant	AQ025	55.001	* 872,010
			<u>\$ 1,183,515</u>
Transportation Disadvantaged Planning 13/14	AR242	55.002	\$ 7,092
Transportation Disadvantaged Planning 12/13	AQ050	55.002	12,614
			<u>\$ 19,706</u>
Total Commission for the Transportation Disadvantaged			<u>\$ 1,203,221</u>
Construction of Hanger D	AQA87	55.004	* \$ 1,152,998
Security & Surveillance Enhancements	AQ816	55.004	* 2,000
			<u>\$ 1,154,998</u>
ITS for Wickham Road	AP567	55.008	\$ 55,770
Wickham & Post Roads Improvements	AR078	55.008	6,305
			<u>\$ 62,075</u>
DOT Block Grant	AQV43	55.010	* \$ 1,411,350
Transit Corridor Bus Service SR 520	AOE59	55.013	* \$ 378,947
Fixed Route Bus Service SR A1A	AOE60	55.013	* 357,263
			<u>\$ 736,210</u>
Pineda Causeway Overpass	AQJ65	55.021	* \$ 588,391
Total Department of Transportation			<u>\$ 5,156,245</u>
DEPARTMENT OF CHILDREN AND FAMILIES:			
Passed through United Way of Brevard			
Grant in Aid	GS301	60.015	\$ 50,000
Parental Home & Clothing (Country Acres)	RGC1104	60.094	\$ 134,533
Total Department of Children and Families			<u>\$ 184,533</u>
DEPARTMENT OF HEALTH:			
Emergency Medical Services County Trust	C9005	64.005	\$ 21,051

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2013

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>State Expenditures</i>
DEPARTMENT OF HIGHWAY SAFETY & MOTOR VEHICLES:			
Passed through St. Johns River Water Management District Florida Blvd Pond Floating Vegetative	27511	76.010	\$ 29,466
Sea Turtle Grant Program	12-030C	76.070	\$ 155
Total Department of Highway Safety & Motor Vehicles			\$ 29,621
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - PRIMARY GOVERNMENT			<u>\$ 7,174,413</u>
COMPONENT UNITS - TITUSVILLE-COCOA AIRPORT AUTHORITY			
DEPARTMENT OF TRANSPORTATION:			
Transportation Systems Development			
TIX AREF Facility	AQA94	55.004	\$ 1,557,091
TIX Wildlife	AQG71	55.004	560
COI RSA Environmental II	AQG73	55.004	722
Security System	AQM87	55.004	161,977
TIX Taxiway B Rehab	AQN36	55.004	54,173
ARFF Vehicle Procure	AQ073	55.004	690,058
TIX TWOB/AWOS	AQQ37	55.004	9,305
TIX Site Improvements	AQV84	55.004	83,299
Building Roof Replacement	AQV25	55.004	117,680
T Hangar Taxilanes	AQV83	55.004	12,547
TIX Aircraft Storage	AR342	55.004	34,945
COI RSA Design	AR740	55.004	50
X2) Fire Hydrants	AR147	55.004	4,880
Total Department of Transportation			\$ 2,727,287
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - REPORTING ENTITY			<u>\$ 9,901,700</u>

* Designates major programs tested.

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2013

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

1) General:

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

2) Basis of Accounting:

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

3) Transfers to Subrecipients:

During the year ended September 30, 2013, 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	14.218	\$	91,286
HOME	14.239	\$	1,499,119
Name of State Project:	<u>CSFA</u>		<u>Amount Transferred</u>
SHIP	52.901	\$	40,571

4) Non-cash Awards:

During the year ended September 30, 2013, the County received the following non-cash assistance (commodities) from the Department of Agriculture (passed through Florida Department of Agriculture).

Name of Federal Program:	<u>Contract Number</u>	<u>CFDA</u>		<u>Amount Worth</u>
National Lunch Program	24.003	10.555	\$	982

During the year ended September 30, 2013, the County received the following non-cash donations from the General Services Administration (passed through the Florida Bureau of Federal Property Assistance).

39.003	\$	619,878
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5) Identification of Federal Clusters:

		<u>CFDA</u>		<u>Amount</u>
DEPARTMENT OF AGRICULTURE:				
School Breakfast/Lunch Program	01-0221	10.555	\$	9,825
Summer Food Service Program	04-0614	10.559		85,190
Total for Child Nutrition cluster			\$	<u>95,015</u>
DEPARTMENT OF JUSTICE:				
Justice Assistance Grant Program FY 2011	2011-DJ-BX-2252	16.738	\$	39,939
Justice Assistance Grant Program FY 2012	2012-DJ-BX-0040	16.738		49,702
Prisoner Transportation/Booking System Improvement	2013-JAGC-BREV-1-D7-184	16.738		165,598
DNA Database Infrastructure Expansion to Support all Arrestee Legislation	2013-ARRC-BREV-1-W7-362	16.803		341,334
Total for JAG Program cluster			\$	<u>596,573</u>



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

SEPTEMBER 30, 2013

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



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



Schedule Of Findings And Questioned Costs



Management Letter
and
Management Recommendations



Management Response

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

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, 2013, and the related notes to the financial statements, which collectively comprise Brevard County, Florida's basic financial statements, and have issued our report thereon dated March 19, 2014. Our report includes a reference to other auditors. Other auditors audited the financial statements of Titusville-Cocoa Airport Authority and the Brevard County Housing Finance Authority, as described in our report on Brevard County, Florida's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of Brevard County, Florida in a separate letter dated March 19, 2014.

Purpose of this Report

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

Melbourne, Florida
March 19, 2014

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

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

Board of County
Brevard County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Brevard County, Florida's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of Brevard County, Florida's major Federal programs and State projects for the year ended September 30, 2013. Brevard County, Florida's major Federal programs and State projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Brevard County, Florida's basic financial statements include the operations of the Titusville-Cocoa Airport Authority, which received \$1,293,528 in federal awards and \$2,727,287 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, 2013. Our audit, described below, did not include the operations of the Titusville-Cocoa Airport Authority because the component unit engaged other auditors to perform an audit in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, Rules of the Auditor General, State of Florida.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Brevard County, Florida's major Federal programs and State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General, State of Florida ("Chapter 10.550"). Those standards and OMB Circular A-133 and Chapter 10.550 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program or State project occurred. An audit includes examining, on a test basis, evidence about Brevard County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program and State project. However, our audit does not provide a legal determination of Brevard County, Florida's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, Brevard County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs and State projects for the year ended September 30, 2013.

Report on Internal Control Over Compliance

Management of Brevard County, Florida is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Brevard County, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program and State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and State project and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Brevard County, Florida's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program or State project on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program or State project will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program or State project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Melbourne, Florida
March 19, 2014

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

**BREVARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unmodified
1. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	None reported
2. 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 auditors' report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No
4. Dollar threshold used to distinguish between type A and type B Programs	\$862,021
5. Auditee qualified as a low-risk auditee?	Yes

Identification of major programs Federal:

<u>CFDA Number</u>	<u>Name of Program</u>
97.039	Department of Homeland Security - Hazard Mitigation Grant (HMGP)
97.044	Department of Homeland Security - Assistance to Fire Fighters Grant
20.507	Federal Transit - Formula Grants (Urbanized Area Formula Program)

**BREVARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013**

SECTION I - SUMMARY OF AUDITORS' RESULTS (continued)

State Financial Assistance

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

Identification of major projects State:

<u>CSFA Number</u>	<u>Name of Project</u>
55.001	DOT Commission For The Transportation Disadvantaged (CTD) Trip And Equipment Grant Program
55.004	DOT Aviation Development Grants
55.013	DOT Transit Corridor Program
55.010	DOT Public Transit Block Grant Program
55.021	DOT Rail Development Grants

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 SCHEDULE OF PRIOR AUDIT FINDINGS

None reported related to major Federal programs or State projects.

MANAGEMENT LETTER

Board of County Commissioners
Brevard County, Florida

We have audited the financial statements of the Brevard County, Florida, as of and for the fiscal year ended September 30, 2013, and have issued our report thereon dated March 19, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and State Project and on Internal Control over Compliance in Accordance with OMB Circular A-133 and Chapter 10.550 Rules of the Florida Auditor General, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 19, 2014, 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.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. As required by the Rules of the Auditor General, we have performed separate audits of each of Brevard County's constitutional officers. The comments included in those separately issued reports should be considered in conjunction with this management letter. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

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

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

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, such matters are noted in the attachment to this letter "Management Recommendations" under the heading Current Year Recommendations.

Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)5., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Brevard County Board of County Commissioners and County Officers were originally established by the Constitution of the State of Florida, Article VIII, Section 1(e). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). Component units of Brevard County, Florida are disclosed in the notes to the financial statements.

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that Brevard County, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Section 10.554(1)(i)6.b., Rules of the Auditor General, requires that we determine whether the annual financial report for Brevard County, Florida for the fiscal year ended September 30, 2013, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2013. In connection with our audit, we determined that these two reports were in agreement.

Pursuant to Sections 10.554(1)(i)6.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Brevard County, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. In connection with our audit, we determined Brevard County, Florida's overall financial condition is inconclusive.

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

March 19, 2014
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

MANAGEMENT RECOMMENDATIONS

September 30, 2013

Current Year Recommendations

13-01 Post closure expenditure calculation and escrow calculation

Criteria: Per GASB No. 18 the post closure expenditure calculation is based on the current year Engineering Report for the changes from prior year and per the FDEP, the calculation of the current year Escrow is based on prior years Engineering Report data.

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

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

Effect: The post closure expense was understated prior to adjustment and the escrow amount was overstated.

Recommendations: We recommend rotating the review of the calculation of the post closure calculation per GASB No. 18 and the FDEP Escrow calculation between management to ensure accuracy of the calculations.

Prior Year Recommendations - Corrected

12-01 Adjustments subsequent to final trial balance - Corrected
Material Weakness

Criteria: The trial balance used to prepare the financial statements should be final with all adjusting entries posted.

Condition: During preliminary account analytics, inquiries were made to management about account variances and balance sheet accounts with no changes from prior year. As a result, several adjusting entries were posted to the trial balance to correct the accounts.

Cause: Adequate review of account variances from prior year was not performed.

Effect: Account balances could be materially misstated.

Status at September 30, 2013: The above issue has been resolved.

Brevard County, Florida
MANAGEMENT RECOMMENDATIONS
September 30, 2013

Prior Year Recommendations - Corrected

12-02 Capitalization of service agreements - Corrected
Significant Deficiency

Criteria: Service agreements are non-capital expenses that are to be expensed for the portion of the service provided in the current year and are to be recorded as prepaid for the portion extending into future years.

Condition: During testing, supporting documentation for two assets which included extended service agreements had been included in the cost of the new assets capitalized.

Cause: The purchase invoice was not adequately reviewed to identify costs to be capitalized and/or expensed.

Effect: Assets are overstated by non-capitalized expenses.

Status at September 30, 2013: The above issue has been resolved.

12-03 Inventory supporting documentation

Criteria: Physical inventory counts are completed on an annual basis, and the unit cost of items in inventory is determined by proper support such as a purchase order, invoice, or other reasonable means to determine the cost.

Condition: During our testing of a sample of inventory items it was noted that two departments could not provide backup to support the unit cost of three items included in inventory.

Cause: The unit cost for both items recorded in the inventory balance could not be reasonably supported.

Effect: The balance of inventory on the balance sheet could be over or understated if specific items are not calculated at the correct unit cost.

Status as of September 30, 2013 – The above issue has been resolved.

12-04 Evaluation of uncollectible receivable balance

Criteria: Per generally accepted accounting principles, amounts that are determined to uncollectable should be recorded as an allowance and then subsequently written off.

Condition: The Solid Waste estimated uncollectible account balance had no change from prior year.

Cause: The receivable account was not evaluated during the close out of the current year for collectability, however all bad debt was written off instead.

Brevard County, Florida
MANAGEMENT RECOMMENDATIONS
September 30, 2013

Prior Year Recommendations - Corrected (continued)

12-04 Evaluation of uncollectible receivable balance (continued)

Effect: Net value of receivables will be misstated.

Status as of September 30, 2013 - The above issue has been resolved.

10-01 Accurate reporting of future committed funds
Significant Deficiency

Criteria: GAAP requires that material commitments, such as construction contracts, be disclosed in the notes to the financial statements.

Condition: During testing of the construction and other significant commitments footnote disclosure, it was discovered that a project listed as being committed in the future had been completed.

Cause: At September 30th, the Purchasing Department zeroes out all purchase orders and then re-issues new purchase orders in the following fiscal year. However, County Finance prepares the footnote disclosure based on the amounts of the purchase orders that were re-issued by the Purchasing Department and that do not include paid invoices for the previous fiscal year paid subsequent to September 30th.

Effect: The future committed funds disclosed in the footnote is not an accurate amount of the remaining balance of future committed funds which could impact decisions about future projects and funds available.

Status as of September 30, 2013 - The above issue has been resolved.



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

May 7, 2014

The Honorable David W. Martin, CPA
Auditor General, State of Florida
111 West Madison Street
Tallahassee, Florida 32399-1450

Subject: Management Responses to September 2013 Audit

Dear Auditor General Martin:

In accordance with Section 11/45, Florida Statutes and Chapter 10.550, Rules of the Auditor General, the following is my response to the management letter for the audit that was conducted for the fiscal year ending September 30, 2013.

13-01 Post closure expenditure calculation and escrow calculation

We will evaluate and revise our procedures on the calculation and the review of the estimated total current cost of the closure and post closure calculations per GASB 18 and the FDEP Escrow calculations.

Should you have any questions or require further clarification, please contact this office at 321-637-2002 or via email at steve.burdett@brevardclerk.us.

Sincerely,

Stephen Burdett, CPA
County Finance Director

cc: Scott Ellis, Brevard County Clerk of the Court
Stockton Whitten, Brevard County Manager
Thomas Rosenberg, Budget Director
Ross A. Whitley, Audit Partner, Berman Hopkins Wright & Laham, LLP



SHERIFF

BREVARD COUNTY SHERIFF

SEPTEMBER 30, 2013

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Brevard County Sheriff's Office (the "Sheriff") as of and for the year ended September 30, 2013, and the related notes to the special-purpose 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

The Sheriff 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.

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

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

As described in Note 1-B, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the *Rules of the Auditor General, State of Florida*, and present only the financial position of the Sheriff at September 30, 2013, 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, 2013, 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, 2013, and the respective changes in financial position and the respective budgetary comparisons for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other 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 non-major 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 special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special-purpose financial statements or to the special-purpose 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 special-purpose financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2014, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

May 15, 2014
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP



BREVARD COUNTY

SHERIFF

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2013



BREVARD COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<u>General</u>	<u>Special Law Enforcement District</u>
ASSETS		
Cash	\$ 4,762,517	\$ 1,965,348
Accounts receivable	191,034	1,801
Due from other funds	0	0
Due from constitutional officers	144,435	105,861
Due from other governmental units	65,114	46,637
Inventory of supplies	1,094,309	0
Prepaid items	47,779	0
Total assets	<u>\$ 6,305,188</u>	<u>\$ 2,119,647</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 689,825	\$ 935
Accrued wages and benefits payable	2,397,940	488,718
Due to constitutional officers	1,919,585	1,629,607
Due to other governmental units	15,926	387
Unearned revenue	139,824	0
Total liabilities	<u>\$ 5,163,100</u>	<u>\$ 2,119,647</u>
Fund balances:		
Non-spendable:		
Inventory	\$ 1,094,309	\$ 0
Prepaid items	47,779	0
Restricted:		
Other purposes	0	0
Total fund balances	<u>\$ 1,142,088</u>	<u>\$ 0</u>
Total liabilities and fund balances	<u>\$ 6,305,188</u>	<u>\$ 2,119,647</u>

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

<i>Other Governmental Funds</i>	<u><i>Total</i></u>
\$ 2,579,511	\$ 9,307,376
90,358	283,193
70,000	70,000
3,610	253,906
0	111,751
0	1,094,309
0	47,779
<u>\$ 2,743,479</u>	<u>\$ 11,168,314</u>
\$ 55,045	\$ 745,805
87,986	2,974,644
77,716	3,626,908
0	16,313
267,858	407,682
<u>\$ 488,605</u>	<u>\$ 7,771,352</u>
\$ 0	\$ 1,094,309
0	47,779
2,254,874	2,254,874
<u>\$ 2,254,874</u>	<u>\$ 3,396,962</u>
<u>\$ 2,743,479</u>	<u>\$ 11,168,314</u>

BREVARD COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>General</u>	<u>Special Law Enforcement District</u>
REVENUES		
Intergovernmental revenues	\$ 1,027,691	\$ 91,631
Charges for services	516,529	183,750
Fines and forfeits	0	0
Miscellaneous revenues	1,705,862	16,782
Total revenues	<u>\$ 3,250,082</u>	<u>\$ 292,163</u>
EXPENDITURES		
Public safety	\$ 83,188,156	\$ 14,505,463
Capital outlay	1,502,975	467,520
Total expenditures	<u>\$ 84,691,131</u>	<u>\$ 14,972,983</u>
Deficiency of revenues under expenditures	<u>\$ (81,441,049)</u>	<u>\$ (14,680,820)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from constitutional officers	\$ 82,410,692	\$ 16,828,293
Transfers to constitutional officers	(1,081,129)	(2,166,758)
Proceeds of the sale of capital assets	111,486	19,285
Total other financing sources and (uses)	<u>\$ 81,441,049</u>	<u>\$ 14,680,820</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	\$ 1,212,240	\$ 0
Decrease in non-spendable	(70,152)	0
Fund balances - ending	<u><u>\$ 1,142,088</u></u>	<u><u>\$ 0</u></u>

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

<i>Other Governmental Funds</i>	<i>Total</i>
\$ 0	\$ 1,119,322
2,478,985	3,179,264
53,169	53,169
732,736	2,455,380
<u>\$ 3,264,890</u>	<u>\$ 6,807,135</u>
\$ 3,309,583	\$ 101,003,202
19,666	1,990,161
<u>\$ 3,329,249</u>	<u>\$ 102,993,363</u>
<u>\$ (64,359)</u>	<u>\$ (96,186,228)</u>
\$ 464,408	\$ 99,703,393
(11,219)	(3,259,106)
0	130,771
<u>\$ 453,189</u>	<u>\$ 96,575,058</u>
<u>\$ 388,830</u>	<u>\$ 388,830</u>
\$ 1,866,044	\$ 3,078,284
0	(70,152)
<u>\$ 2,254,874</u>	<u>\$ 3,396,962</u>

BREVARD COUNTY SHERIFF
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental revenues	\$ 315,085	\$ 937,080	\$ 1,027,691	\$ 90,611
Charges for services	348,006	420,714	516,529	95,815
Miscellaneous revenues	1,503,079	1,535,823	1,705,862	170,039
Total revenues	<u>\$ 2,166,170</u>	<u>\$ 2,893,617</u>	<u>\$ 3,250,082</u>	<u>\$ 356,465</u>
EXPENDITURES				
Public safety	\$ 82,843,003	\$ 83,023,430	\$ 83,188,156	\$ (164,726)
Capital outlay	1,483,859	2,030,879	1,502,975	527,904
Total expenditures	<u>\$ 84,326,862</u>	<u>\$ 85,054,309</u>	<u>\$ 84,691,131</u>	<u>\$ 363,178</u>
Deficiency of revenues under expenditures	<u>\$ (82,160,692)</u>	<u>\$ (82,160,692)</u>	<u>\$ (81,441,049)</u>	<u>\$ 719,643</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers	\$ 82,410,692	\$ 82,410,692	\$ 82,410,692	\$ 0
Transfers to constitutional officers	(300,000)	(300,000)	(1,081,129)	(781,129)
Proceeds of the sale of capital assets	50,000	50,000	111,486	61,486
Total other financing sources and (uses)	<u>\$ 82,160,692</u>	<u>\$ 82,160,692</u>	<u>\$ 81,441,049</u>	<u>\$ (719,643)</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	1,212,240	1,212,240	1,212,240	0
Decrease in non-spendable	0	0	(70,152)	(70,152)
Fund balances - ending	<u>\$ 1,212,240</u>	<u>\$ 1,212,240</u>	<u>\$ 1,142,088</u>	<u>\$ (70,152)</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 68,978	\$ 68,978	\$ 91,631	\$ 22,653
Charges for services	177,000	177,000	183,750	6,750
Miscellaneous revenues	7,383	7,383	16,782	9,399
Total revenues	<u>\$ 253,361</u>	<u>\$ 253,361</u>	<u>\$ 292,163</u>	<u>\$ 38,802</u>
EXPENDITURES				
Public safety	\$ 15,871,025	\$ 15,871,025	\$ 14,505,463	\$ 1,365,562
Capital outlay	568,160	568,160	467,520	100,640
Total expenditures	<u>\$ 16,439,185</u>	<u>\$ 16,439,185</u>	<u>\$ 14,972,983</u>	<u>\$ 1,466,202</u>
Deficiency of revenues under expenditures	<u>\$ (16,185,824)</u>	<u>\$ (16,185,824)</u>	<u>\$ (14,680,820)</u>	<u>\$ 1,505,004</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers	\$ 16,780,713	\$ 16,780,713	\$ 16,828,293	\$ 47,580
Transfers to constitutional officers	(604,889)	(604,889)	(2,166,758)	(1,561,869)
Proceeds of the sale of capital assets	10,000	10,000	19,285	9,285
Total other financing sources and (uses)	<u>\$ 16,185,824</u>	<u>\$ 16,185,824</u>	<u>\$ 14,680,820</u>	<u>\$ (1,505,004)</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	\$ 0	\$ 0	\$ 0	\$ 0
Decrease in non-spendable	0	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

BREVARD COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2013

	<i>Agency Funds</i>
ASSETS	
Cash	\$ 153,923
Total assets	<u>\$ 153,923</u>
LIABILITIES	
Due to individuals and others	\$ 38,451
Due to other funds	70,000
Due to other governmental units	<u>45,472</u>
Total liabilities	<u>\$ 153,923</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, 2013

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, 2013, the Sheriff has \$1,142,088 of a non-spendable fund balance which represents \$1,094,309 of inventories and \$47,779 of prepaid items.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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, 2013, the Sheriff has \$2,254,874 of restricted fund balance to be used for other purposes.
- **Committed Fund Balance** – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Sheriff. Commitments may be changed or lifted only by the Sheriff taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- **Assigned Fund Balance** – Included spendable fund balance amounts established by the Sheriff that are intended to be used for specific purposes and are neither considered restricted or committed.
- **Unassigned Fund Balance** – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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

The Sheriff utilizes the following major funds:

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

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

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.

C. **Budget**

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

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

D. Interfund Receivables and Payables

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

E. Capital Assets

Refer to Note 1. F. in the County-wide Financial Statements. Capital asset activity for the year ended September 30, 2013, was as follows:

	<u>Oct. 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Deletions</u>	<u>Sept. 30, 2013</u>
Governmental Activities:					
Capital assets not depreciated:					
Construction in progress	\$ 111,462	\$ 0	\$ 60,685	\$ 50,777	\$ 0
Total assets not depreciated	<u>\$ 111,462</u>	<u>\$ 0</u>	<u>\$ 60,685</u>	<u>\$ 50,777</u>	<u>\$ 0</u>
Capital assets depreciated:					
Buildings and structures	\$ 660,124	\$ 159,776	\$ 0	\$ 819,900	\$ 0
Improvements other than buildings	154,212	0	0	154,212	0
Operating machinery and equipment	<u>36,347,287</u>	<u>2,755,929</u>	<u>2,032,172</u>	<u>0</u>	<u>37,071,044</u>
Total assets depreciated	<u>\$37,161,623</u>	<u>\$2,915,705</u>	<u>\$2,032,172</u>	<u>\$ 974,112</u>	<u>\$37,071,044</u>
Less accumulated depreciation:					
Buildings and structures	\$ 149,705	\$ 17,835	\$ 0	\$ 167,540	\$ 0
Improvements other than buildings	77,070	10,476	0	87,546	0
Operating machinery and equipment	<u>24,587,759</u>	<u>3,497,129</u>	<u>1,532,929</u>	<u>0</u>	<u>26,551,959</u>
Total accumulated depreciation	<u>\$24,814,534</u>	<u>\$3,525,440</u>	<u>\$1,532,929</u>	<u>\$ 255,086</u>	<u>\$26,551,959</u>
Total depreciable assets, net	<u>\$12,347,089</u>	<u>\$ (609,735)</u>	<u>\$ 499,243</u>	<u>719,026</u>	<u>\$10,519,085</u>
Total governmental activities capital assets, net	<u>\$12,458,551</u>	<u>\$ (609,735)</u>	<u>\$ 559,928</u>	<u>\$ 769,803</u>	<u>\$10,519,085</u>

Capital assets used by the Sheriff's operations are recorded in the governmental fund types as expenditures at the time assets are received and a liability is incurred. Purchased assets are capitalized at historical cost in the government-wide financial statements of the County.

Construction in progress, buildings and structures, and improvements other than buildings have been properly disclosed in the Board's notes to the 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.

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

<u>Oct. 1, 2012</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2013</u>
\$12,380,517	\$1,985,145	\$1,476,478	\$12,889,184

The accrued compensated absence liability due within one year is estimated at \$1,456,895.

I. Use of Estimates

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

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

2. Cash and Investments

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

The total cash amount for the Sheriff was \$9,461,299, and deposits with financial institutions were \$9,677,177. 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.	\$9,677,177
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Included in the total cash amount is \$35,915 which represents cash on hand.

On September 30, 2013, the Sheriff had \$20,863 invested in the State Board of Administration's Florida Prime and \$5,663 remaining in Pool B, with a fair value of \$6,414, which is also included in the total cash amount.

3. Leases and Other Commitments

The Sheriff had no capital leases as of September 30, 2013.

The Sheriff is obligated under operating lease agreements for building facilities expiring between July 2016 and December 2030. The total cost for these leases was \$95,586 for the year ended September 30, 2013. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2014	\$ 99,099
2015	99,529
2016	85,845
2017	11,662
2018	16,136
2019-2023	88,239
2024-2028	102,293
2029-2031	<u>51,222</u>
Total minimum lease payable	<u>\$554,025</u>

The Sheriff is obligated under several operating lease agreements for office copiers and shredders expiring between November 2013 and August 2018. Total cost for the leases was \$149,176 for the year ended September 30, 2013. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2014	\$145,719
2015	108,815
2016	67,873
2017	29,596
2018	<u>8,746</u>
Total minimum lease payable	<u>\$360,749</u>

The Board of County Commissioners obtained a loan refunding the prior commercial paper debt. The Sheriff is still obligated to fulfill their prior commitment to the Board of County Commissioners and make payments from May 2014 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.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

The minimum commitments payable are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2014	\$ 298,960
2015	298,960
2016	298,960
2017	202,265
2018	202,265
2019-2023	1,011,323
2024-2027	<u>809,056</u>
Total minimum commitments payable	<u>\$3,121,789</u>

4. Risk Management

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

5. Deferred Compensation

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

6. Contingent Liabilities

The Sheriff is insured through the Florida Sheriff's Risk Management Fund for coverage of substantially all risks and general liability claims. The Florida Sheriff's Risk Management Fund is a self-insurance fund. Several claims have been filed against the Sheriff by employees of the Sheriff's office, and prisoners and ex-prisoners of the Brevard County Jail. These claims are covered by the Florida Sheriff's Risk Management Fund, and in the opinion of attorneys for the Florida Sheriff's Risk Management Fund, except as otherwise disclosed, no material liability will be incurred by the Sheriff.

7. Retirement Plan

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

The Sheriff's contributions for the years ending September 30, 2013, 2012, and 2011, were \$7,356,249, \$6,339,526, and \$9,758,324, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2013, represented 13.09% of covered payroll.

8. Other Postemployment Benefits

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

The following table shows the actuarial determined components of the Sheriff employee's portion of Brevard County's obligation as of September 30, 2011, 2012 and 2013 based on the current plan provisions:

	<u>Sept. 30, 2011</u>	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>
Annual required contribution	\$1,415,285	\$ 1,720,511	\$1,549,567
Interest on net OPEB contribution	215,295	106,713	115,645
Adjustment to annual required contribution	<u>(192,503)</u>	<u>(190,818)</u>	<u>(206,790)</u>
Annual OPEB cost (expense)	\$1,438,077	\$ 1,636,406	\$1,458,422
Contributions made	<u>(919,043)</u>	<u>(1,003,168)</u>	<u>(1,023,231)</u>
Increase in net OPEB obligation	\$ 519,034	\$ 633,238	\$ 435,191
Net OPEB obligation – beginning of year	<u>4,630,002</u>	<u>5,149,036</u>	<u>5,782,274</u>
Net OPEB obligation – end of year	<u>\$5,149,036</u>	<u>\$ 5,782,274</u>	<u>\$6,217,465</u>

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

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

Funded Status and Funding Progress - The contributions made for the 2011, 2012 and 2013 fiscal years were 63.9%, 61.3% and 70.2%, respectively, of the annual OPEB cost. As of the October 1, 2012, actuarial valuation date, the actuarial accrued liability for benefits was \$25,644,980, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$56,206,904 and the ratio of the UAAL to the covered payroll was 45.6%.

9. Subsequent Event

On December 13, 2011, the Brevard County Board of County Commissioners authorized County Management to borrow up to \$4 million for the construction of a facility that will be used for the Sheriff's Office North Precinct facility. The financing and construction of the facility will be the responsibility of the County and upon completion of the construction, the County will retain ownership of the facility.

A lease agreement and payment schedule between the County and the Sheriff was approved by the Board of County Commissioners on January 28, 2014. The first year's payment in the amount of \$495,172 will cover the amounts due for prior years' service payments.

BREVARD COUNTY SHERIFF
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 FOR THE RETIREE HEALTH PLAN
 SEPTEMBER 30, 2013

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



BREVARD COUNTY

SHERIFF

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

SEPTEMBER 30, 2013



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.

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

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

BREVARD COUNTY SHERIFF
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<i>Special Revenue</i>	
	<u>Contraband</u>	<u>Special Law Enforcement Training Fund Second Dollar</u>
ASSETS		
Cash	\$ 362,386	\$ 0
Accounts receivable	0	0
Due from other funds	0	0
Due from constitutional officers	0	0
Total assets	<u>\$ 362,386</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 17,027	\$ 0
Accrued wages and benefits payable	0	0
Due to constitutional officers	77,501	0
Unearned revenue	267,858	0
Total liabilities	<u>\$ 362,386</u>	<u>\$ 0</u>
Fund balances:		
Restricted:		
Other purposes	\$ 0	\$ 0
Total liabilities and fund balances	<u>\$ 362,386</u>	<u>\$ 0</u>

Special Revenue

<i>Special Law Enforcement Training \$2.50 Fund</i>	<i>Federal Forfeiture Department of Justice</i>	<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>Inmate Welfare</i>
\$ 0	\$ 174,741	\$ 955,658	\$ 3,694	\$ 987,431
0	0	0	0	90,358
0	0	0	0	70,000
0	0	0	0	1,540
<u>\$ 0</u>	<u>\$ 174,741</u>	<u>\$ 955,658</u>	<u>\$ 3,694</u>	<u>\$ 1,149,329</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,854
0	0	0	3,479	0
0	0	0	215	0
0	0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,694</u>	<u>\$ 24,854</u>
\$ 0	\$ 174,741	\$ 955,658	\$ 0	\$ 1,124,475
<u>\$ 0</u>	<u>\$ 174,741</u>	<u>\$ 955,658</u>	<u>\$ 3,694</u>	<u>\$ 1,149,329</u>

BREVARD COUNTY SHERIFF
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<u>Special Revenue</u>	
	<u>City of Cape Canaveral Law Enforcement</u>	<u>Total</u>
ASSETS		
Cash	\$ 95,601	\$ 2,579,511
Accounts receivable	0	90,358
Due from other funds	0	70,000
Due from constitutional officers	2,070	3,610
Total assets	<u>\$ 97,671</u>	<u>\$ 2,743,479</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 13,164	\$ 55,045
Accrued wages and benefits payable	84,507	87,986
Due to constitutional officers	0	77,716
Unearned revenue	0	267,858
Total liabilities	<u>\$ 97,671</u>	<u>\$ 488,605</u>
Fund balances:		
Restricted:		
Other purposes	\$ 0	\$ 2,254,874
Total liabilities and fund balances	<u>\$ 97,671</u>	<u>\$ 2,743,479</u>

BREVARD COUNTY SHERIFF
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Special Revenue</i>	
	<i>Contraband</i>	<i>Special Law Enforcement Training Fund Second Dollar</i>
REVENUES		
Charges for services	\$ 0	\$ 0
Fines and forfeits	0	0
Miscellaneous revenues	347	0
Total revenues	\$ 347	\$ 0
EXPENDITURES		
Public safety	\$ 213,101	\$ 34,104
Capital outlay	7,626	0
Total expenditures	\$ 220,727	\$ 34,104
Excess (deficiency) of revenues over (under) expenditures	\$ (220,380)	\$ (34,104)
OTHER FINANCING SOURCES AND (USES)		
Transfers from constitutional officers	\$ 231,384	\$ 34,104
Transfers to constitutional officers	(11,004)	0
Total other financing sources and (uses)	\$ 220,380	\$ 34,104
Net change in fund balances	\$ 0	\$ 0
Fund balances - beginning	0	0
Fund balances - ending	\$ 0	\$ 0

BREVARD COUNTY SHERIFF
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Special Revenue</u>	
	<i>Special Law Enforcement Training \$2.50 Fund</i>	<i>Federal Forfeiture Department of Justice</i>
REVENUES		
Charges for services	\$ 0	\$ 0
Fines and forfeits	0	53,169
Miscellaneous revenues	0	166
Total revenues	<u>\$ 0</u>	<u>\$ 53,335</u>
EXPENDITURES		
Public safety	\$ 109,164	\$ 0
Capital outlay	0	0
Total expenditures	<u>\$ 109,164</u>	<u>\$ 0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (109,164)</u>	<u>\$ 53,335</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from constitutional officers	\$ 109,164	\$ 0
Transfers to constitutional officers	0	0
Total other financing sources and (uses)	<u>\$ 109,164</u>	<u>\$ 0</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 53,335</u>
Fund balances - beginning	0	121,406
Fund balances - ending	<u>\$ 0</u>	<u>\$ 174,741</u>

Special Revenue

<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>Inmate Welfare</i>	<i>City of Cape Canaveral Law Enforcement</i>	<i>Total</i>
\$ 0	\$ 0	\$ 30	\$ 2,478,955	\$ 2,478,985
0	0	0	0	53,169
987	0	731,236	0	732,736
<u>\$ 987</u>	<u>\$ 0</u>	<u>\$ 731,266</u>	<u>\$ 2,478,955</u>	<u>\$ 3,264,890</u>
\$ 0	\$ 89,541	\$ 384,718	\$ 2,478,955	\$ 3,309,583
0	0	12,040	0	19,666
<u>\$ 0</u>	<u>\$ 89,541</u>	<u>\$ 396,758</u>	<u>\$ 2,478,955</u>	<u>\$ 3,329,249</u>
<u>\$ 987</u>	<u>\$ (89,541)</u>	<u>\$ 334,508</u>	<u>\$ 0</u>	<u>\$ (64,359)</u>
\$ 0	\$ 89,756	\$ 0	\$ 0	\$ 464,408
0	(215)	0	0	(11,219)
<u>\$ 0</u>	<u>\$ 89,541</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 453,189</u>
\$ 987	\$ 0	\$ 334,508	\$ 0	\$ 388,830
954,671	0	789,967	0	1,866,044
<u>\$ 955,658</u>	<u>\$ 0</u>	<u>\$ 1,124,475</u>	<u>\$ 0</u>	<u>\$ 2,254,874</u>

BREVARD COUNTY SHERIFF
CONTRABAND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 347	\$ 347
EXPENDITURES			
Public safety	\$ 223,758	\$ 213,101	\$ 10,657
Capital outlay	7,626	7,626	0
Total expenditures	\$ 231,384	\$ 220,727	\$ 10,657
Deficiency of revenues under expenditures	\$ (231,384)	\$ (220,380)	\$ 11,004
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 231,384	\$ 231,384	\$ 0
Transfers to constitutional officers	0	(11,004)	(11,004)
Total other financing sources and (uses)	\$ 231,384	\$ 220,380	\$ (11,004)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0

BREVARD COUNTY SHERIFF
SPECIAL LAW ENFORCEMENT TRAINING FUND SECOND DOLLAR
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 34,104	\$ 34,104	\$ 0
OTHER FINANCING SOURCES			
Transfers from constitutional officers	\$ 34,104	\$ 34,104	\$ 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, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 109,164	\$ 109,164	\$ 0
OTHER FINANCING SOURCES			
Transfers from constitutional officers	\$ 109,164	\$ 109,164	\$ 0
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

BREVARD COUNTY SHERIFF
 FEDERAL FORFEITURE DEPARTMENT OF JUSTICE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Fines and forfeits	\$ 0	\$ 53,169	\$ 53,169
Miscellaneous revenues	0	166	166
Total revenues	\$ 0	\$ 53,335	\$ 53,335
Fund balances - beginning	121,406	121,406	0
Fund balances - ending	<u>\$ 121,406</u>	<u>\$ 174,741</u>	<u>\$ 53,335</u>

BREVARD COUNTY SHERIFF
FEDERAL FORFEITURE DEPARTMENT OF TREASURY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 987	\$ 987
Total revenues	\$ 0	\$ 987	\$ 987
Fund balances - beginning	954,671	954,671	0
Fund balances - ending	<u>\$ 954,671</u>	<u>\$ 955,658</u>	<u>\$ 987</u>

BREVARD COUNTY SHERIFF

CRIME PREVENTION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 115,661	\$ 89,541	\$ 26,120
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 115,661	\$ 89,756	\$ (25,905)
Transfers to constitutional officers	0	(215)	(215)
Total other financing sources and (uses)	\$ 115,661	\$ 89,541	\$ (26,120)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0

BREVARD COUNTY SHERIFF
INMATE WELFARE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 0	\$ 30	\$ 30
Miscellaneous revenues	960,000	731,236	(228,764)
Total revenues	<u>\$ 960,000</u>	<u>\$ 731,266</u>	<u>\$ (228,734)</u>
EXPENDITURES			
Public safety	\$ 960,000	\$ 384,718	\$ 575,282
Capital outlay	0	12,040	(12,040)
Total expenditures	<u>\$ 960,000</u>	<u>\$ 396,758</u>	<u>\$ 563,242</u>
Excess of revenues over expenditures	\$ 0	\$ 334,508	\$ 334,508
Fund balances - beginning	789,967	789,967	0
Fund balances - ending	<u>\$ 789,967</u>	<u>\$ 1,124,475</u>	<u>\$ 334,508</u>

BREVARD COUNTY SHERIFF
CITY OF CAPE CANAVERAL LAW ENFORCEMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 2,609,592	\$ 2,478,955	\$ (130,637)
EXPENDITURES			
Public safety	\$ 2,606,592	\$ 2,478,955	\$ 127,637
Capital outlay	3,000	0	3,000
Total expenditures	\$ 2,609,592	\$ 2,478,955	\$ 130,637
Excess of revenues over expenditures	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0



BREVARD COUNTY

SHERIFF

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



**MANAGEMENT LETTER
and
MANAGEMENT COMMENTS AND RECOMMENDATIONS**



SEPTEMBER 30, 2013

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of each major fund, and the aggregate remaining fund information of the Brevard County Sheriff's Office (the "Sherriff") as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise of the Sheriff's special-purpose financial statements, and have issued our report thereon dated May 15, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

May 15, 2014
Melbourne, FL

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

www.bermanhopkins.com

MANAGEMENT LETTER

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

We have audited the special-purpose financial statements of the Brevard County Sheriff's Office (the "Sheriff"), as of and for the fiscal year ended September 30, 2013, and have issued our report thereon dated May 15, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditors' Report on 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*. Disclosures in that report, which is dated May 15, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Sheriff complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the special-purpose financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

- Section 10.554(1)(i)5., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the special-purpose financial statements. The Brevard County Sheriff's Office was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There are no component units related to the Sheriff.

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

May 15, 2014
Melbourne, Florida

Berman Hopkins Wright & Latham
CPAs and Associates, LLP

Brevard County Sheriff

MANAGEMENT COMMENTS AND RECOMMENDATIONS

September 30, 2013

Prior Year Recommendations (fiscal year 2012)

There were no prior year management comments or recommendations.

Current Year Recommendations (fiscal year 2013)

There are no current year management comments or recommendations.



SHERIFF

OFFICE OF THE SHERIFF

GREAT SEAL OF THE STATE OF FLORIDA

IN GOD WE TRUST

BREVARD COUNTY

**CLERK
OF THE
CIRCUIT
COURT**

BREVARD COUNTY CLERK OF THE CIRCUIT COURT

SEPTEMBER 30, 2013

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Clerk of the Circuit Court of Brevard County, Florida ("the Clerk") as of and for the year ended September 30, 2013, 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.

Auditors' 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 auditors' 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.

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, 2013, 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, 2013, 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.

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

Opinions

In our opinion, the 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, 2013, and the respective changes in financial position and the respective budgetary comparison for the General, Records Modernization Trust, 10% Fine, and Court Related Technology Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2014, 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.

April 15, 2014
Melbourne, Florida

Berman Hopkins Wright & Latham
CPAs and Associates, LLP

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

SEPTEMBER 30, 2013



BREVARD COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<u>General</u>	<u>Records Modernization Trust</u>
ASSETS		
Cash	\$ 394,942	\$ 286,791
Due from constitutional officers	73,841	0
Due from other governmental units	1,204,963	0
Prepaid items	209,587	13,347
Total assets	<u>\$ 1,883,333</u>	<u>\$ 300,138</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 12,960	\$ 0
Accrued wages and benefits payable	862,411	0
Due to other governmental units	829,224	0
Unearned revenue-other	178,738	0
Total liabilities	<u>\$ 1,883,333</u>	<u>\$ 0</u>
Fund balances:		
Restricted:		
Other purposes	\$ 0	\$ 300,138
Total fund balances	<u>\$ 0</u>	<u>\$ 300,138</u>
Total liabilities and fund balances	<u>\$ 1,883,333</u>	<u>\$ 300,138</u>

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

<u>10% Fine Fund</u>	<u>Court Related Technology</u>	<u>Total</u>
\$ 366,390	\$ 98,980	\$ 1,147,103
0	0	73,841
0	0	1,204,963
75,531	101,505	399,970
<u>\$ 441,921</u>	<u>\$ 200,485</u>	<u>\$ 2,825,877</u>
\$ 0	\$ 45,645	\$ 58,605
0	2,544	864,955
0	0	829,224
0	0	178,738
<u>\$ 0</u>	<u>\$ 48,189</u>	<u>\$ 1,931,522</u>
\$ 441,921	\$ 152,296	\$ 894,355
<u>\$ 441,921</u>	<u>\$ 152,296</u>	<u>\$ 894,355</u>
<u>\$ 441,921</u>	<u>\$ 200,485</u>	<u>\$ 2,825,877</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, 2013

	<u>General</u>	<u>Records Modernization Trust</u>
REVENUES		
Intergovernmental revenues	\$ 12,025,604	\$ 0
Charges for services	6,025,895	361,589
Miscellaneous revenues	259,851	1
Total revenues	<u>\$ 18,311,350</u>	<u>\$ 361,590</u>
EXPENDITURES		
General government	\$ 19,837,206	\$ 349,146
Capital outlay	359,589	169,599
Total expenditures	<u>\$ 20,196,795</u>	<u>\$ 518,745</u>
Deficiency of revenues under expenditures	<u>\$ (1,885,445)</u>	<u>\$ (157,155)</u>
OTHER FINANCING SOURCES		
Transfers from constitutional officers	<u>\$ 1,885,445</u>	<u>\$ 0</u>
Net change in fund balances	\$ 0	\$ (157,155)
Fund balances - beginning	<u>0</u>	<u>457,293</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 300,138</u></u>

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

<u>10% Fine Fund</u>	<u>Court Related Technology</u>	<u>Total</u>
\$ 0	\$ 0	\$ 12,025,604
459,690	1,066,869	7,914,043
2	564	260,418
<u>\$ 459,692</u>	<u>\$ 1,067,433</u>	<u>\$ 20,200,065</u>
\$ 856,493	\$ 1,142,003	\$ 22,184,848
0	205,632	734,820
<u>\$ 856,493</u>	<u>\$ 1,347,635</u>	<u>\$ 22,919,668</u>
<u>\$ (396,801)</u>	<u>\$ (280,202)</u>	<u>\$ (2,719,603)</u>
\$ 0	\$ 0	\$ 1,885,445
\$ (396,801)	\$ (280,202)	\$ (834,158)
838,722	432,498	1,728,513
<u>\$ 441,921</u>	<u>\$ 152,296</u>	<u>\$ 894,355</u>

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 14,671,496	\$ 12,023,596	\$ 12,025,604	\$ 2,008
Charges for services	2,533,060	6,013,539	6,025,895	12,356
Miscellaneous revenues	212,535	247,000	259,851	12,851
Total revenues	<u>\$ 17,417,091</u>	<u>\$ 18,284,135</u>	<u>\$ 18,311,350</u>	<u>\$ 27,215</u>
EXPENDITURES				
General government	\$ 19,135,256	\$ 19,841,656	\$ 19,837,206	\$ 4,450
Capital outlay	0	359,600	359,589	11
Total expenditures	<u>\$ 19,135,256</u>	<u>\$ 20,201,256</u>	<u>\$ 20,196,795</u>	<u>\$ 4,461</u>
Deficiency of revenues under expenditures	<u>\$ (1,718,165)</u>	<u>\$ (1,917,121)</u>	<u>\$ (1,885,445)</u>	<u>\$ 31,676</u>
OTHER FINANCING SOURCES				
Transfers from constitutional officers	<u>\$ 1,885,445</u>	<u>\$ 1,885,445</u>	<u>\$ 1,885,445</u>	<u>\$ 0</u>
Net change in fund balances	<u>\$ 167,280</u>	<u>\$ (31,676)</u>	<u>\$ 0</u>	<u>\$ 31,676</u>
Fund balances - beginning	0	0	0	0
Fund balances - ending	<u><u>\$ 167,280</u></u>	<u><u>\$ (31,676)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 31,676</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, 2013

	<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	\$ 225,000	\$ 225,000	\$ 361,589	\$ 136,589
Miscellaneous revenues	0	0	1	1
Total revenues	<u>\$ 225,000</u>	<u>\$ 225,000</u>	<u>\$ 361,590</u>	<u>\$ 136,590</u>
EXPENDITURES				
General government	\$ 450,000	\$ 349,500	\$ 349,146	\$ 354
Capital outlay	149,894	170,000	169,599	401
Total expenditures	<u>\$ 599,894</u>	<u>\$ 519,500</u>	<u>\$ 518,745</u>	<u>\$ 755</u>
Deficiency of revenues under expenditures	<u>\$ (374,894)</u>	<u>\$ (294,500)</u>	<u>\$ (157,155)</u>	<u>\$ 137,345</u>
Net change in fund balances	\$ (374,894)	\$ (294,500)	\$ (157,155)	\$ 137,345
Fund balances - beginning	<u>457,293</u>	<u>457,293</u>	<u>457,293</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 82,399</u></u>	<u><u>\$ 162,793</u></u>	<u><u>\$ 300,138</u></u>	<u><u>\$ 137,345</u></u>

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT

10% FINE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<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	\$ 520,400	\$ 520,400	\$ 459,690	\$ (60,710)
Miscellaneous revenues	0	0	2	2
Total revenues	<u>\$ 520,400</u>	<u>\$ 520,400</u>	<u>\$ 459,692</u>	<u>\$ (60,708)</u>
EXPENDITURES				
General government	\$ 715,100	\$ 858,000	\$ 856,493	\$ 1,507
Deficiency of revenues under expenditures	<u>\$ (194,700)</u>	<u>\$ (337,600)</u>	<u>\$ (396,801)</u>	<u>\$ (59,201)</u>
Net change in fund balances	\$ (194,700)	\$ (337,600)	\$ (396,801)	\$ (59,201)
Fund balances - beginning	838,722	838,722	838,722	0
Fund balances - ending	<u>\$ 644,022</u>	<u>\$ 501,122</u>	<u>\$ 441,921</u>	<u>\$ (59,201)</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, 2013

	<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	\$ 769,500	\$ 1,066,289	\$ 1,066,869	\$ 580
Miscellaneous revenues	0	0	564	564
Total revenues	<u>\$ 769,500</u>	<u>\$ 1,066,289</u>	<u>\$ 1,067,433</u>	<u>\$ 1,144</u>
EXPENDITURES				
General government	\$ 881,289	\$ 1,143,289	\$ 1,142,003	\$ 1,286
Capital outlay	0	206,000	205,632	368
Total expenditures	<u>\$ 881,289</u>	<u>\$ 1,349,289</u>	<u>\$ 1,347,635</u>	<u>\$ 1,654</u>
Deficiency of revenues under expenditures	<u>\$ (111,789)</u>	<u>\$ (283,000)</u>	<u>\$ (280,202)</u>	<u>\$ 2,798</u>
Net change in fund balances	\$ (111,789)	\$ (283,000)	\$ (280,202)	\$ 2,798
Fund balances - beginning	432,498	432,498	432,498	0
Fund balances - ending	<u>\$ 320,709</u>	<u>\$ 149,498</u>	<u>\$ 152,296</u>	<u>\$ 2,798</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, 2013

	<i>Agency Funds</i>
ASSETS	
Cash and equivalents	\$ 19,152,165
Investments in SBA	42,830
Other receivables	188,522
Total assets	\$ 19,383,517
LIABILITIES	
Due to individuals and others	\$ 983,716
Due to other governmental units	1,937,095
Escrow and refundable deposits	16,462,706
Total liabilities	\$ 19,383,517

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, 2013

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, 2013

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, 2013, the Clerk has a restricted fund balance of \$894,355 to be used for other purposes.
- **Committed Fund Balance** – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Clerk. Commitments may be changed or lifted only by the Clerk taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- **Assigned Fund Balance** – Included spendable fund balance amounts established by the Clerk that are intended to be used for specific purposes and are neither considered restricted or committed.
- **Unassigned Fund Balance** – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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

The Clerk utilizes the following major funds:

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

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

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

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

The Clerk also reports the following fund types:

Agency Funds - Agency funds are clearing accounts for assets held by a government as an agent for individuals, private organizations, other governments or other funds. Agency funds are custodial in nature (assets equals liabilities) and do not involve the measurement of results of operations. Accordingly it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position.

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

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
 NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2013

C. Budget

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

D. Capital Assets

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

	<u>Oct. 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2013</u>
Governmental Activities:				
Operating machinery and equipment	\$4,391,685	\$ 761,512	\$141,697	\$5,011,500
Less accumulated depreciation	<u>3,960,632</u>	<u>233,568</u>	<u>139,760</u>	<u>4,054,440</u>
Total governmental activities capital assets, net	<u>\$ 431,053</u>	<u>\$ 527,944</u>	<u>\$ 1,937</u>	<u>\$ 957,060</u>

Capital assets used by the Clerk's operations are recorded in the governmental fund types as expenditures at the time assets are received and a liability is incurred. Purchased assets are capitalized at historical cost in the government-wide financial statements of the County.

E. Prepaid Items

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

F. Investments

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

G. Accrued Compensated Absences

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

The Clerk of the Circuit Court accrued compensated absences were:

<u>Oct. 1, 2012</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2013</u>
\$715,007	\$1,401,986	\$162,717	\$1,954,276

The accrued compensated absence liability due within one year is estimated at \$240,469.

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 \$20,286,194, and deposits with financial institutions were \$23,633,524. 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.	\$23,633,524
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The Clerk has a Petty Cash Fund of \$13,075.

On September 30, 2013, the Clerk had \$40,354 invested in State Board of Administration's Florida Prime and \$2,476 remaining in Pool B, with a fair value of \$2,804.

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

3. Leases

The Clerk is obligated under noncancelable operating leases for office equipment through September 2015. Total cost for the year ended September 30, 2013, was \$118,867.

The future minimum lease payment is as follows:

Year Ended September 30	<u>Amount</u>
2014	\$ 88,179
2015	<u>3,750</u>
Total minimum lease payable	<u>\$ 91,929</u>

4. Risk Management

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

5. Deferred Compensation

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

6. Contingent Liabilities

A claim has been asserted against the Clerk of the Circuit Court for non-payment on a \$6.1 million promissory note. The promissory note was executed by the former Clerk after losing the primary election in August of 2012. The balance of the note at the time the current Clerk ceased making payments was approximately \$5.88 million. The current Clerk has asserted that the promissory note is not valid and that services and equipment were not received in consideration of the payment. The former Clerk and the CEO of the company that was the beneficiary of the note have since been arrested on charges of bribery, bid tampering, and other related conspiracy charges. In addition, the former Clerk has been charged with official misconduct. In February 2014, a federal magistrate judge recommended the dismissal of the claim against the Clerk's office and others on jurisdictional grounds.

7. Retirement

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

The Clerk's contributions for the years ending September 30, 2013, 2012, and 2011 were \$670,286, \$449,027, and \$1,011,521, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2013, represented 5.82% of covered payroll.

8. Other Postemployment Benefits

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

The following table shows the actuarial determined components of the Clerk of Circuit Court employee's portion of Brevard County's obligation as of September 30, 2011, 2012, and 2013 based on the current plan provisions:

	<u>Sept. 30, 2011</u>	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>
Annual required contribution	\$ 499,385	\$ 89,565	\$ 244,877
Interest on net OPEB contribution	79,829	80,000	44,822
Adjustment to annual required contribution	<u>(71,378)</u>	<u>(60,021)</u>	<u>(80,149)</u>
Annual OPEB cost (expense)	\$ 507,836	\$ 109,544	\$ 209,550
Contributions made	<u>(307,798)</u>	<u>(82,957)</u>	<u>(324,513)</u>
Increase (decrease) in net OPEB obligation	\$ 200,038	\$ 26,587	\$ (114,963)
Net OPEB obligation – beginning of year	<u>1,716,757</u>	<u>1,916,795</u>	<u>1,943,382</u>
Net OPEB obligation – end of year	<u>\$1,916,795</u>	<u>\$1,943,382</u>	<u>\$1,828,419</u>

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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

Funded Status and Funding Progress - The contributions made for the fiscal years 2011, 2012, and 2013 were 60.6%, 75.7%, and 154.9%, respectively, of the annual OPEB cost. As of the October 1, 2012 actuarial valuation date, the actuarial accrued liability for benefits was \$8,327,803, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$11,523,974 and the ratio of the UAAL to the covered payroll was 72.3%.

9. Subsequent Event

The Brevard County Clerk of the Circuit Court has evaluated subsequent events through April 15, 2014, the date which the financial statements were available for issuance.

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 FOR THE RETIREE HEALTH PLAN
 SEPTEMBER 30, 2013

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

BREVARD COUNTY
CLERK OF THE CIRCUIT COURT

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



**MANAGEMENT LETTER
and
MANAGEMENT COMMENTS AND RECOMMENDATIONS**



MANAGEMENT'S RESPONSE

SEPTEMBER 30, 2013

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Clerk of the Circuit Court of Brevard County, Florida ("the Clerk") as of and for the year ended September 30, 2013, and the related notes to the special-purpose financial statements, which collectively comprise the Clerk's special-purpose financial statements, and have issued our report thereon dated April 15, 2014.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Management Comments and Recommendations, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying Management Comments and Recommendations as item 13-01 to be a material weakness.

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. We consider the deficiency described in the accompanying Management Comments and Recommendations as item 13-02 to be a significant deficiency.

Compliance and Other Matters

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

Clerk's Response to Findings

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

Purpose of this Report

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

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

April 15, 2014
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

MANAGEMENT LETTER

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

We have audited the special-purpose financial statements of the Clerk of the Circuit Courts of Brevard County, Florida ("the Clerk"), as of and for the fiscal year ended September 30, 2013, and have issued our report thereon dated April 15, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated April 15, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report except as noted in the attachment to this letter "Management Comments and Recommendations" as 12-01, 11-02, 10-03, 08-02, and 08-05.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Clerk complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, recommendations are noted in the attachment to this letter "Management Comments and Recommendations" as 13-01 and 13-02.

- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the special-purpose financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, recommendations are noted in the attachment to this letter "Management Comments and Recommendations" as 13-03, 12-01, and 08-02.
- Section 10.554(1)(i)5., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the special-purpose financial statements. The Clerk was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Clerk.
- Section 10.554(1)(i)7., Rules of the Auditor General, requires a statement as to whether or not the Clerk of the Courts complied with the requirements of Section 28.35 and 28.36, Florida Statutes. In connection with our audit, we determined that the Clerk did not comply with all performance standards pursuant to Section 28.35 and 28.36, Florida Statutes. Findings are noted in the attachment to this letter "Management Comments and Recommendations" as 11-02, 10-03, and 08-05.

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

April 15, 2014
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

Current Year Comments and Recommendations

13-01 Capital Outlay
Material Weakness

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

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

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

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

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

13-02 Unrecorded Liabilities
Significant Deficiency

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

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

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

Effect: Expenses and accounts payable were understated.

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

13-03 Article V - Reporting New Cases

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

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

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS

September 30, 2013

Current Year Comments and Recommendations (continued)

13-03 Article V - Reporting New Cases (continued)

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

Effect: Noncompliance with Article V.

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

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

Prior Year Comments and Recommendations

12-01 Unclaimed property - Repeated

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

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

Cause: Timely review of outstanding checks was not done.

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

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

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

12-02 Prepaid service contract - Corrected

Criteria: Contracted services paid for in advance of the service should be recorded as a prepaid expense.

Condition: An invoice for contracted service was paid prior to the service being received and recorded as an expense.

Cause: The finance department was not aware the service had not been started at the time the invoice was processed.

Effect: Expenses are overstated.

Recommendation: We recommend that the departments communicate with the finance department about the status of contracted service agreements to ensure proper recording.

Status as of September 30, 2013: The above issue has been corrected.

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS

September 30, 2013

Prior Year Comments and Recommendations (continued)

11-02 Jury Output - Repeated

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

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

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

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

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

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

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

10-03 Improve review process - Repeated
Significant Deficiency

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

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

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

Prior Year Comments and Recommendations (continued)

10-03 Improve review process - Repeated (continued)
Significant Deficiency

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

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

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

Status as of September 30, 2011:

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

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

Prior Year Comments and Recommendations (continued)

10-03 Improve review process - Repeated (continued)
Significant Deficiency

Status as of September 30, 2012:

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

Status as of September 30, 2013:

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

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

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

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

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

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

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

Prior Year Comments and Recommendations (continued)

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

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

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

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

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

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

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

Prior Year Comments and Recommendations (continued)

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

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

08-03 Article V - Output Measures - Corrected

Criteria: Article V compliance with performance measures requires that the number of new and reopened civil cases filed, by court; the number of defendants for new and reopened criminal court cases filed, by court; the number of financial receipts; the number of jurors summoned; the number of juror payments issued; and the number of notices of appeal filed agree to the same number of cases and case types as reported to the Florida Clerks of Court Operations Corporation ("Corporation").

Condition: Lack of adequate systems in place for the accumulation and reporting of performance data.

Cause: The query script process used to obtain the total new cases, reopen cases and notice of appeal case counts from FACTs is not consistent with the Business Rules and Budget Instructions provided by the Corporation.

Effect: Inconsistent performance measures used to facilitate an objective determination of the performance of each clerk in accordance with minimum standards for operational efficiency.

Recommendation: Management should implement query scripts that will total the case counts consistently based on the Business Rules and Budget Instructions provided by the Corporation.

Status as of September 30, 2009: The data extracted to prepare the report submitted to the FCCOC could not be recreated. As a result the number of new and reopened civil cases filed, by court; the number of defendants for new and reopened criminal court cases filed, by court; the number of financial receipts; the number of jurors summoned; and the number of notices of appeal filed could not be agreed to the number reported. In addition, samples of reported financial receipts and notices of appeal could not be tested to agree they were properly reported as to classification by court and properly counted as provided in the budget instructions.

Status as of September 30, 2010: The data extracted to prepare the report submitted to the FCCOC could not be recreated for the notices of appeal, for all criminal court types and civil traffic reopens for the period of October 1, 2009 through February 28, 2010. As a result the number of notices of appeal filed for all criminal court types and civil traffic reopens could not be agreed to the number reported.

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

Prior Year Comments and Recommendations (continued)

08-03 Article V - Output Measures - Corrected (continued)

Status as of September 30, 2011:

- (1) The data extracted to prepare the report submitted to the "FCCOC" did not include the complete population of the child support financial receipts and the reopened case count had two instances of variances due to SRS report conversion issues.
- (2) Two instances of discrepancies in reporting Civil Family cases reopened due to the conversion to produce the reports per SRS's requirements.

Status as of September 30, 2012:

- (1) The above issue has been corrected.
- (2) Two instances of discrepancies in reporting Civil Family cases reopened due to the conversion to produce the reports per SRS's requirements.

Status as of September 30, 2013:

- (1) The above issue has been corrected. (FY 2012)
- (2) The above issue has been corrected.

08-05 Article V - Timeliness Rate Output Measures - Repeated

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

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

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

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

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

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

Brevard County Clerk of the Circuit Court
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

Prior Year Comments and Recommendations (continued)

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

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

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

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

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



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

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

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<http://www.brevardclerk.us>

Scott Ellis, Clerk

June 13, 2014

Honorable David W. Martin, Auditor General
State of Florida
Claude Denson Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Re: Response to External Audit Comments

Dear Sir:

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

Finding 13-01 Capital Outlay

All purchases are currently reviewed. Human error resulted in missing three items.

Finding 13-02 Unrecorded Liabilities

Agreed

Finding 13-03 Article V – Reporting New Cases

The clerk was specifically in training for the ePortal. This should not be a recurring problem.

Finding 12-01 Unclaimed Property - Repeated

We attempted to correct this for FY 13. However, the checks missed in FY 12 pertained to FS 717 which had an earlier deadline of April. All other unclaimed checks we report fall under FS 116.21 which has a deadline of September. By the time we accumulated the missed items that fell under FS 717, the deadline of April had passed. We did not miss the deadline for FY 14, so this process is now fully corrected.

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Finding 11-02 Jury Output - Repeated

Juror payments have been corrected. There still remains a reporting issue with juror summons, which stems from summonses that are manually issued outside of our Jury system. Our reporting will have to be fine-tuned once again to account for these items.

Finding 10-03 Improve Review Process -- Repeated

6) We have set up a review process, which has been in place since FY 11. In addition, we have assigned staff as quality control reviewers to randomly check staff's work. However, this still will not catch every error made. It is physically impossible to review every reported case. The errors have been low in number and in almost every instance off by 1.

Finding 08-02 Follow-up on cases with balances due -- Repeated

9/30/2013 status: 1) A person who had been incarcerated was out of jail for a period of time and then was re-incarcerated. We missed an opportunity to send the item to collection during the time the person had been out of jail. We now use the VINE network, which provides us notification when a person has been released from jail. This should not be an issue going forward.

Finding 08-05 Article V -- Timeliness Rate Output Measures -- Repeated

Juror payments have been corrected. There still remains a reporting issue with juror summons, which stems from summonses that are manually issued outside of our Jury system. Our reporting will have to be fine-tuned once again to account for these items.

Sincerely,



Scott Ellis
Clerk of Courts

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**TAX
COLLECTOR**

BREVARD COUNTY TAX COLLECTOR

SEPTEMBER 30, 2013

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INDEPENDENT AUDITORS' 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 (the "Tax Collector") as of and for the year ended September 30, 2013, 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

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

Auditors' Responsibility

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

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

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 Tax Collector at September 30, 2013, 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, 2013, 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.

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

Opinions

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of the Tax Collector, as of September 30, 2013, and remaining fund information for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2014, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

May 15, 2014
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**BREVARD COUNTY
TAX COLLECTOR**

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2013



BREVARD COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<i>General</i>
ASSETS	
Cash	\$ 3,938,584
Account receivable	36,758
Due from other governmental units	6,893
Total assets	\$ 3,982,235
LIABILITIES AND FUND BALANCE	
Liabilities:	
Vouchers and contracts payable	\$ 53,402
Accrued wages and benefits payable	244,392
Due to constitutional officers	3,626,179
Due to other governmental units	58,262
Total liabilities	\$ 3,982,235
Fund balance	\$ 0
Total liabilities and fund balance	\$ 3,982,235

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, 2013

	<i>General</i>
REVENUES	
Charges for services	\$ 14,278,982
Miscellaneous revenues	97,547
Total revenues	\$ 14,376,529
EXPENDITURES	
General government	\$ 10,732,848
Excess of revenues over expenditures	\$ 3,643,681
OTHER FINANCING USES	
Transfers to constitutional officers and other governmental units	\$ (3,643,681)
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, 2013

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 14,448,476	\$ 14,279,776	\$ 14,278,982	\$ (794)
Miscellaneous revenues	58,400	97,900	97,547	(353)
Total revenues	\$ 14,506,876	\$ 14,377,676	\$ 14,376,529	\$ (1,147)
EXPENDITURES				
General government	\$ 10,456,560	\$ 11,794,214	\$ 10,732,848	\$ 1,061,366
Excess of revenues over expenditures	\$ 4,050,316	\$ 2,583,462	\$ 3,643,681	\$ 1,060,219
OTHER FINANCING USES				
Transfers to constitutional officers and other governmental units	\$ (4,050,316)	\$ (2,583,462)	\$ (3,643,681)	\$ (1,060,219)
Net change in fund balance	\$ 0	\$ 0	\$ 0	\$ 0
Fund balance - beginning	0	0	0	0
Fund balance - ending	\$ 0	\$ 0	\$ 0	\$ 0

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, 2013

	<u>Agency Funds</u>
ASSETS	
Cash and equivalents	\$ 10,734,052
Other receivables	439,815
Due from other governmental units	<u>11,455</u>
Total assets	<u><u>\$ 11,185,322</u></u>
LIABILITIES	
Due to individuals and others	\$ 535,147
Due to other governmental units	3,882,057
Prepaid taxes	<u>6,768,118</u>
Total liabilities	<u><u>\$ 11,185,322</u></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, 2013

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, 2013

Spendable Fund Balance:

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

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

The Tax Collector utilizes the following major fund:

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

The Tax Collector also reports the following fund type:

Agency Funds - Agency funds are clearing accounts for assets held by a government as an agent for individuals, private organizations, or other governments. Agency funds are custodial in nature (assets equals liabilities) and do not involve the measurement of results of operations. These agency funds are used to account for taxes collected by the Tax Collector on behalf of other governments. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position.

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

C. Budget

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

BREVARD COUNTY TAX COLLECTOR
 NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2013

D. Capital Assets

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

	<u>Oct. 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2013</u>
Governmental Activities:				
Operating machinery and equipment	\$2,648,138	\$ 78,253	\$145,425	\$2,580,966
Less accumulated depreciation	<u>2,023,400</u>	<u>192,843</u>	<u>144,098</u>	<u>2,072,145</u>
Total governmental activities capital assets, net	<u>\$ 624,738</u>	<u>\$ (114,590)</u>	<u>\$ 1,327</u>	<u>\$ 508,821</u>

Capital assets used by the Tax Collector's operations are recorded in the governmental fund types as expenditures at the time assets are received and a liability is incurred. Purchased assets are capitalized at historical cost in the government-wide financial statements of the County.

E. Investments

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

F. Accrued Compensated Absences

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

The Tax Collector accrued compensated absences were:

<u>Oct. 1, 2012</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2013</u>
\$917,863	\$180,713	\$52,201	\$1,046,375

The accrued compensated absence due within one year is estimated at \$70,091.

G. Use of Estimates

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

2. Cash and Investments

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

The total cash amount for the Tax Collector was \$14,672,636, and deposits with financial institutions were \$13,190,694. 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.	\$13,190,694
--	--------------

Included in the total cash amount is Petty Cash/Change Funds of \$20,400 which represent both book and market value.

On September 30, 2013, the Tax Collector had one dollar invested in State Board of Administration's Florida Prime and \$1,769,754 remaining in Pool B, with a fair value of \$2,004,464, which is also included in the total cash amount.

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

3. Receivables

A portion of other receivables listed in the Statement of Fiduciary Net Position includes a balance of \$153,521 representing amounts due to the Tax Collector from a contracted vendor responsible for collecting on bad debts in fiscal year 2011. Through the date of this report the balance has been reduced to \$48,521 with the expectation of the full amount collected by July 2014.

4. Leases

The Tax Collector is obligated under two noncancelable operating leases for office equipment through December 2015. Total cost for the year ended September 30, 2013, was \$56,995.

The future minimum lease payment is as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2014	\$ 43,200
2015	15,024
2016	<u>3,756</u>
Total minimum lease payable	<u>\$ 61,980</u>

The Tax Collector leases three office facilities under noncancelable operating leases. Total costs for the leases were \$201,092 for the year ended September 30, 2013. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2014	\$ 180,089
2015	211,627
2016	211,588
2017	158,610
2018	161,797
2019-2023	<u>798,691</u>
Total minimum lease payable	<u>\$1,722,402</u>

5. Risk Management

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

6. Deferred Compensation

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

7. Retirement

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

The Tax Collector's contributions for the years ending September 30, 2013, 2012, and 2011 were \$335,997, \$272,168, and \$495,748 respectively, which equal the required contributions for each year. Contributions for the year ending September 30, 2013, represented 6.31% of covered payroll.

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

8. Other Postemployment Benefits

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

The following table shows the actuarial determined components of the Tax Collector employee's portion of Brevard County's obligation as of September 30, 2011, 2012, and 2013 based on the current plan provisions:

	<u>Sept. 30, 2011</u>	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>
Annual required contribution	\$ 252,854	\$ 407,418	\$ 250,459
Interest on net OPEB contribution	31,140	17,914	19,154
Adjustment to annual required contribution	<u>(27,843)</u>	<u>(32,033)</u>	<u>(34,250)</u>
Annual OPEB cost (expense)	\$ 256,151	\$ 393,299	\$ 235,363
Contributions made	<u>(189,038)</u>	<u>(172,386)</u>	<u>(175,834)</u>
Increase in net OPEB obligation	\$ 67,113	\$ 220,913	\$ 59,529
Net OPEB obligation – beginning of year	<u>669,668</u>	<u>736,781</u>	<u>957,694</u>
Net OPEB obligation – end of year	<u>\$ 736,781</u>	<u>\$ 957,694</u>	<u>\$1,017,223</u>

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

Funded Status and Funding Progress - The contributions made for the 2011, 2012, and 2013 fiscal years were 73.8%, 43.8%, and 74.7% respectively, of the annual OPEB cost. As of the October 1, 2012 actuarial valuation date, the actuarial accrued liability for benefits was \$4,292,073, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$5,326,237 and the ratio of the UAAL to the covered payroll was 80.6%.

9. Subsequent Event

The Brevard County Tax Collector has evaluated subsequent events through May 15, 2014, the date which the financial statements were issued.

BREVARD COUNTY TAX COLLECTOR
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 FOR THE RETIREE HEALTH PLAN
 SEPTEMBER 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 5,106,884	\$ 5,106,884	0.0%	\$ 4,976,103	102.6%
10/01/2008	\$ 0	\$ 5,106,884	\$ 5,106,884	0.0%	\$ 4,713,448	108.3%
10/01/2009	\$ 0	\$ 3,724,499	\$ 3,724,499	0.0%	\$ 4,941,339	75.3%
10/01/2010	\$ 0	\$ 3,796,616	\$ 3,796,616	0.0%	\$ 5,092,010	74.6%
10/01/2011	\$ 0	\$ 4,288,364	\$ 4,288,364	0.0%	\$ 5,236,137	81.9%
10/01/2012	\$ 0	\$ 4,292,073	\$ 4,292,073	0.0%	\$ 5,326,237	80.6%



BREVARD COUNTY
TAX COLLECTOR

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



**MANAGEMENT LETTER
and
MANAGEMENT COMMENTS AND RECOMMENDATIONS**

SEPTEMBER 30, 2013

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

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 major fund of the Brevard County Tax Collector (the "Tax Collector"), as of and for the year ended September 30, 2013, which collectively comprise the Tax Collector's special-purpose financial statements, and have issued our report thereon dated May 15, 2014.

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 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

May 15, 2014
Melbourne, FL

Borman Hopkins Wright & LaHam
CPAs and Associates, LLP

MANAGEMENT LETTER

The Honorable Lisa Cullen
Brevard County Tax Collector
Brevard County, Florida

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, 2013, and have issued our report thereon dated May 15, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in the report, which is dated May 15, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' report or schedule:

- 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 recommendations in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Tax Collector complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address noncompliance of provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the special-purpose financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

- Section 10.554(1)(i)5., 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.

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

May 15, 2014
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Brevard County Tax Collector
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

Prior Year Recommendations (fiscal year 2012)

There were no prior year management comments or recommendations.

Current Year Recommendations (fiscal year 2013)

There are no current year management comments or recommendations.



**PROPERTY
APPRAISER**

BREVARD COUNTY PROPERTY APPRAISER
 SEPTEMBER 30, 2013
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INDEPENDENT AUDITORS' REPORT

To the Honorable Dana Blickley
Brevard County Property Appraiser
Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Property Appraiser of Brevard County, Florida (the "Property Appraiser"), as of and for the year ended September 30, 2013, 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.

Auditors' Responsibility

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

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

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, 2013, 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, 2013, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Opinions

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the Property Appraiser as of September 30, 2013 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2014, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

April 10, 2014
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**BREVARD COUNTY
PROPERTY APPRAISER**

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2013



BREVARD COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<i>General</i>
ASSETS	
Cash	\$ 461,943
Prepaid expenses	118,484
Total assets	\$ 580,427
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 25,347
Accrued wages and benefits payable	125,674
Unearned revenue-other	429,406
Total liabilities	\$ 580,427
Fund balance	\$ 0
Total liabilities and fund balance	\$ 580,427

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, 2013

	<i>General</i>
REVENUES	
Charges for services	\$ 369,829
Miscellaneous revenues	1,016
Total revenues	\$ 370,845
EXPENDITURES	
General government	\$ 8,698,255
Deficiency of revenues under expenditures	\$ (8,327,410)
OTHER FINANCING SOURCES	
Transfers from constitutional officers and other governmental units	\$ 8,327,410
Net change in fund balance	\$ 0
Fund balance - beginning	\$ 87,427
Decrease in non-spendable prepaids	(87,427)
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, 2013

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 173,320	\$ 173,320	\$ 369,829	\$ 196,509
Miscellaneous revenues	0	0	1,016	1,016
Total revenues	<u>\$ 173,320</u>	<u>\$ 173,320</u>	<u>\$ 370,845</u>	<u>\$ 197,525</u>
EXPENDITURES				
General government	\$ 8,287,894	\$ 8,300,730	\$ 8,698,255	\$ (397,525)
Deficiency of revenues under expenditures	<u>\$ (8,114,574)</u>	<u>\$ (8,127,410)</u>	<u>\$ (8,327,410)</u>	<u>\$ (200,000)</u>
OTHER FINANCING SOURCES				
Transfers from constitutional officers and other governmental units	\$ 8,127,411	\$ 8,127,410	\$ 8,327,410	\$ 200,000
Net change in fund balance	<u>\$ 12,837</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balance - beginning	\$ 87,427	\$ 87,427	\$ 87,427	\$ 0
Decrease in non-spendable prepaids	<u>(87,427)</u>	<u>(87,427)</u>	<u>(87,427)</u>	<u>0</u>
Fund balance - ending	<u><u>\$ 12,837</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 PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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, 2013

Spendable Fund Balance:

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

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

The Property Appraiser utilizes the following fund type:

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

C. Budget

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

D. Capital Assets

Refer to Note 1. F. in the County-wide Financial Statements. Capital asset activity for the year ended September 30, 2013, was as follows:

	<u>Oct. 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2013</u>
Governmental Activities:				
Operating machinery and equipment	\$1,285,774	\$ 514,001	\$166,073	\$1,633,702
Less accumulated depreciation	<u>1,087,358</u>	<u>74,598</u>	<u>162,428</u>	<u>999,528</u>
Total governmental activities capital assets, net	<u>\$ 198,416</u>	<u>\$ 439,403</u>	<u>\$ 3,645</u>	<u>\$ 634,174</u>

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.

BREVARD COUNTY PROPERTY APPRAISER
 NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2013

F. Investments

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

G. Accrued Compensated Absences

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

The Property Appraiser accrued compensated absences were:

<u>Oct. 1, 2012</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2013</u>
\$825,529	\$ 22,342	\$125,871	\$722,000

Accrued compensated absence liability due within one year is estimated at \$87,578.

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 \$429,406.

I. Use of Estimates

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

2. Comparison of Expenditures to Appropriations

Expenditures exceed appropriations because the \$397,525 was spent from a nonbudgeted reimbursement for expenses paid by the Board of County Commissioners to support the property data program.

The Property Appraiser receives funding from the Board of County Commissioners to provide field data collections in support of County programs. During the year, actual revenue for mapping services totaled \$196,509 and is included in charges for services. The Florida Department of Revenue does not require that mapping services revenues or expenditures be budgeted.

3. Cash and Investments

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

The total cash amount for the Property Appraiser was \$461,943, and deposits with financial institutions were \$658,582. 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.	\$658,582
--	-----------

4. Deferred Compensation

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

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

5. Retirement

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

The Property Appraiser's contributions for the years ending September 30, 2013, 2012, and 2011 were \$326,261, \$293,221, and \$566,478, respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2013, represented 6.39% of covered payroll.

6. Leases

The Property Appraiser is obligated under operating lease agreements for office equipment through fiscal year 2015 and for vehicles through fiscal year 2016. A copier lease was renewed and an additional unit added, with both agreements to expire concurrent with the existing June 2015 master agreement expiration. A vehicle lease ended in fiscal year 2013 and the vehicles were returned. A new vehicle operating lease agreement was initiated effective October 1, 2013, with a 36 month term. Total cost for the lease agreements was \$58,803 for the year ended September 30, 2013. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2014	\$ 66,013
2015	57,291
2016	<u>31,616</u>
Total minimum lease payable	<u>\$154,920</u>

7. Risk Management

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

8. Other Postemployment Benefits

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

The following table shows the actuarial determined components of the Property Appraiser employee's portion of Brevard County's obligation as of September 30, 2011, 2012, and 2013 based on the current plan provisions:

	<u>Sept. 30, 2011</u>	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>
Annual required contribution	\$ 226,377	\$ 394,309	\$ 218,009
Interest on net OPEB contribution	26,910	16,266	17,079
Adjustment to annual required contribution	<u>(24,061)</u>	<u>(29,085)</u>	<u>(30,539)</u>
Annual OPEB cost (expense)	\$ 229,226	\$ 381,490	\$ 204,549
Contributions made	<u>(172,005)</u>	<u>(163,487)</u>	<u>(166,757)</u>
Increase in net OPEB obligation	\$ 57,221	\$ 218,003	\$ 37,792
Net OPEB obligation – beginning of year	<u>578,716</u>	<u>635,937</u>	<u>853,940</u>
Net OPEB obligation – end of year	<u>\$ 635,937</u>	<u>\$ 853,940</u>	<u>\$ 891,732</u>

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

Funded Status and Funding Progress - The contributions made for the 2011, 2012 and 2013 fiscal years were 75.0%, 42.9% and 81.5%, respectively, of the annual OPEB cost. As of the October 1, 2012 actuarial valuation date the actuarial accrued liability for benefits was \$3,881,404, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$5,107,889 and the ratio of Unfunded Actuarial Accrued Liability ("UAAL") to the covered payroll was 76.0%.

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

9. Commitments

The Property Appraiser's office contracts for aerial pictography that is used in the assessment of various property values. The contract was for an initial six year period and has one year of service still to be provided. These outstanding services are valued at approximately \$166,000 for the entire remaining contract period.

10. Subsequent Events

The Property Appraiser has evaluated subsequent events through April 10, 2014, the date which the financial statements were available for issuance, and has determined that no material events occurred that would require additional disclosure in the financial statements.

BREVARD COUNTY PROPERTY APPRAISER
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 FOR THE RETIREE HEALTH PLAN
 SEPTEMBER 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 4,596,934	\$ 4,596,934	0.0%	\$ 6,550,388	70.2%
10/01/2008	\$ 0	\$ 4,596,934	\$ 4,596,934	0.0%	\$ 6,512,555	70.6%
10/01/2009	\$ 0	\$ 3,473,328	\$ 3,473,328	0.0%	\$ 6,159,827	56.4%
10/01/2010	\$ 0	\$ 3,535,957	\$ 3,535,957	0.0%	\$ 5,595,342	63.2%
10/01/2011	\$ 0	\$ 3,893,727	\$ 3,893,727	0.0%	\$ 5,479,568	71.1%
10/01/2012	\$ 0	\$ 3,881,404	\$ 3,881,404	0.0%	\$ 5,107,889	76.0%

BREVARD COUNTY
PROPERTY APPRAISER

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



**MANAGEMENT LETTER
and
MANAGEMENT COMMENTS AND RECOMMENDATIONS**

SEPTEMBER 30, 2013

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

To the Honorable Dana Blickley
Brevard County Property Appraiser
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Property Appraiser of Brevard County, Florida (the "Property Appraiser"), as of and for the year ended September 30, 2013, 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 April 10, 2014.

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Melbourne, Florida
April 10, 2014

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

MANAGEMENT LETTER

The Honorable Dana Blickley
Brevard County Property Appraiser
Brevard County, Florida

We have audited the special-purpose financial statements of the Property Appraiser of Brevard County, Florida (the "Property Appraiser"), as of and for the fiscal year ended September 30, 2013, and have issued our report thereon dated April 10, 2014.

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. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated April 10, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Property Appraiser complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address 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.

- Section 10.554(1)(i)5., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the special-purpose financial statements. The Property Appraiser was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Property Appraiser.

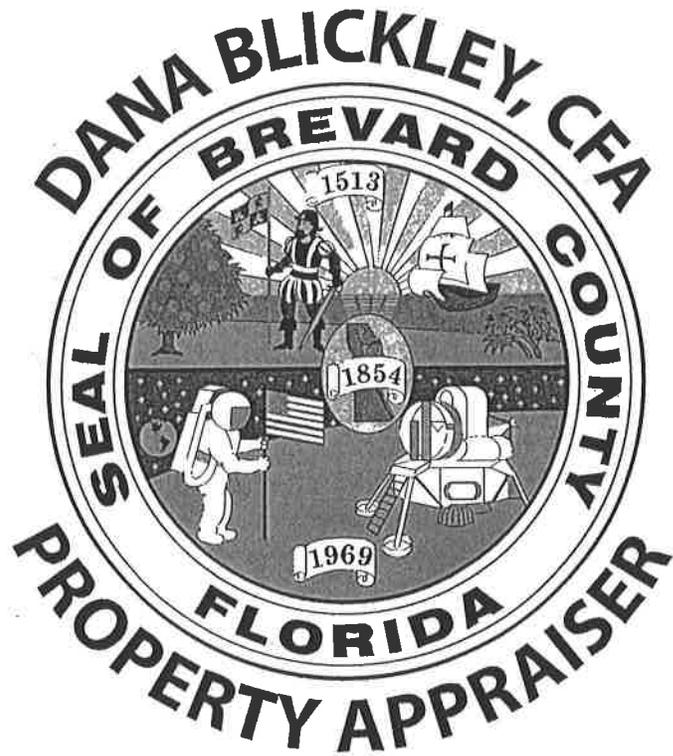
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management and is not intended to be and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

April 10, 2014
Melbourne, Florida

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

Brevard County Property Appraiser
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

For the year ended September 30, 2013, there were no management comments or recommendations.



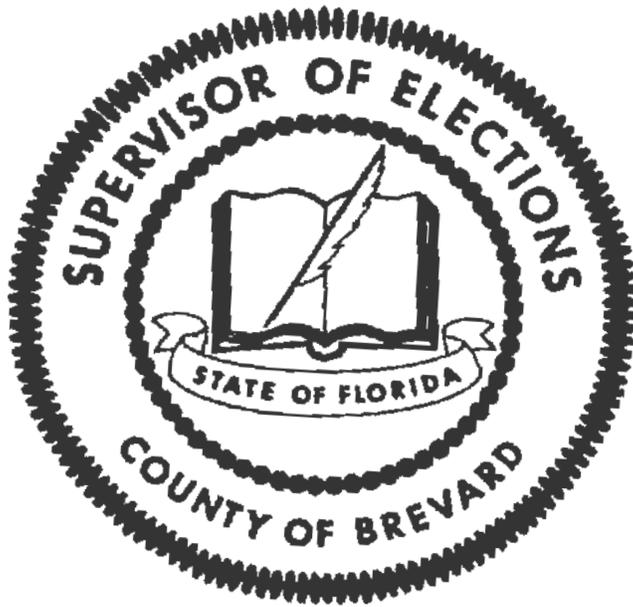
**SUPERVISOR
OF
ELECTIONS**

BREVARD COUNTY SUPERVISOR OF ELECTIONS

SEPTEMBER 30, 2013

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INDEPENDENT AUDITORS' REPORT

The Honorable Lori Scott
Brevard County Supervisor of Elections
Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Brevard County Supervisor of Elections (the "Supervisor"), Florida as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Supervisor's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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, 2013, 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, 2013, 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, 2013, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2014, on our consideration of the Supervisor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor's internal control over financial reporting and compliance.

March 26, 2014
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**BREVARD COUNTY
SUPERVISOR OF ELECTIONS**

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2013



BREVARD COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	<i>General</i>
ASSETS	
Cash	\$ 365,739
Accrued interest receivable	819
Prepaid expenses	68,313
Total assets	\$ 434,871
LIABILITIES AND FUND BALANCE	
Liabilities:	
Vouchers and contracts payable	\$ 266,210
Other current liabilities	3,846
Unearned revenue-other	96,502
Total liabilities	\$ 366,558
Fund balance	
Non-spendable:	
Prepaid items	\$ 68,313
Total liabilities and fund balance	\$ 434,871

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, 2013

	<i>General</i>
REVENUES	
Intergovernmental revenues	\$ 79,250
Charges for services	42,039
Miscellaneous revenues	3,686
Total revenues	\$ 124,975
EXPENDITURES	
General government	\$ 5,131,665
Deficiency of revenues under expenditures	\$ (5,006,690)
OTHER FINANCING SOURCES	
Transfers from constitutional officers	\$ 5,006,690
Net change in fund balance	\$ 0
Fund balance - beginning	\$ 96,625
Decrease in non-spendable	(28,312)
Fund balance - ending	\$ 68,313

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, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 77,228	82,607	\$ 79,250	\$ (3,357)
Charges for services	25,000	25,000	42,039	17,039
Miscellaneous revenues	313	313	3,686	3,373
Total revenues	<u>\$ 102,541</u>	<u>\$ 107,920</u>	<u>\$ 124,975</u>	<u>\$ 17,055</u>
EXPENDITURES				
General government	<u>\$ 5,269,175</u>	<u>\$ 5,283,855</u>	<u>\$ 5,131,665</u>	<u>\$ 152,190</u>
Deficiency of revenues under expenditures	<u>\$ (5,166,634)</u>	<u>\$ (5,175,935)</u>	<u>\$ (5,006,690)</u>	<u>\$ 169,245</u>
OTHER FINANCING SOURCES				
Transfers from constitutional officers	<u>\$ 5,171,762</u>	<u>\$ 5,181,331</u>	<u>\$ 5,006,690</u>	<u>\$ (174,641)</u>
Net change in fund balance	<u>\$ 5,128</u>	<u>\$ 5,396</u>	<u>\$ 0</u>	<u>\$ (5,396)</u>
Fund balance - beginning	\$ 96,625	\$ 96,625	\$ 96,625	\$ 0
Decrease in non-spendable	0	0	(28,312)	(28,312)
Fund balance - ending	<u>\$ 101,753</u>	<u>\$ 102,021</u>	<u>\$ 68,313</u>	<u>\$ (33,708)</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, 2013

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, 2013, the Supervisor of Elections has \$68,313 of a non-spendable fund balance which represents prepaid items.

BREVARD COUNTY SUPERVISOR OF ELECTIONS
 NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2013

Spendable Fund Balance:

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

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

The Supervisor of Elections utilizes the following fund type:

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

C. Budget

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

D. Capital Assets

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

	<u>Oct. 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2013</u>
Governmental Activities:				
Capital assets depreciated:				
Buildings and structures	\$ 314,465	\$ 0	\$ 314,465	\$ 0
Operating machinery and equipment	<u>2,862,071</u>	<u>2,543,084</u>	<u>1,995,716</u>	<u>3,409,439</u>
Total assets depreciated	<u>\$3,176,536</u>	<u>\$2,543,084</u>	<u>\$2,310,181</u>	<u>\$3,409,439</u>
Less accumulated depreciation:				
Buildings and structures	\$ 139,552	\$ 0	\$ 139,552	\$ 0
Operating machinery and equipment	<u>2,125,680</u>	<u>206,907</u>	<u>1,769,964</u>	<u>562,623</u>
Total accumulated depreciation	<u>\$2,265,232</u>	<u>\$ 206,907</u>	<u>\$1,909,516</u>	<u>\$ 562,623</u>
Total governmental activities capital assets, net	<u>\$ 911,304</u>	<u>\$2,336,177</u>	<u>\$ 400,665</u>	<u>\$2,846,816</u>

BREVARD COUNTY SUPERVISOR OF ELECTIONS
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

Capital assets used by the Supervisor of Elections' operations are recorded in the governmental fund types as expenditures at the time assets are received and a liability is incurred. Purchased assets are capitalized at historical cost in the government-wide financial statements of the County.

E. Prepaid Items

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

F. Investments

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

G. Accrued Compensated Absences

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

The Supervisor of Elections' accrued compensated absences were:

<u>Oct 1, 2012</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2013</u>
\$165,661	\$51,788	\$57,169	\$160,280

The accrued compensated absence due within one year is estimated at \$60,848.

H. Use of Estimates

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

2. Cash and Investments

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

Cash in the amount of \$365,739 represents the allocated amount of the pooled cash of the Brevard County Board of County Commissioners in the amount of \$361,893 and a Supervisor of Elections' Candidate Qualifying account in the amount of \$3,846.

Amount insured by the FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes.	\$365,739
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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 2013. The CAP distributed costs for Facilities building services and building maintenance based on fiscal year 2012 actual results. The total cost for the year ended September 30, 2013 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 \$14,050 and \$5,143, respectively, for the year ended September 30, 2013. The future minimum lease payments for noncancelable operating leases are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2014	\$13,760
2015	<u>11,668</u>
Total minimum lease payable	<u>\$25,428</u>

BREVARD COUNTY SUPERVISOR OF ELECTIONS
 NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2013

4. Risk Management

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

5. Deferred Compensation

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

6. Retirement

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

The Supervisor of Elections' contributions for the years ending September 30, 2013, 2012, and 2011 were \$79,457, \$65,615, and \$125,130, respectively, which equal the required contributions for each year. Contributions for the year ending September 30, 2013 represented 6.76% of covered payroll.

7. Other Postemployment Benefits

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

The following table shows the actuarial determined components of the Supervisor of Elections employee's portion of Brevard County's obligation as of September 30, 2011, 2012, and 2013 based on the current plan provisions:

	<u>Sept. 30, 2011</u>	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2013</u>
Annual required contribution	\$ 48,472	\$ 65,221	\$ 45,589
Interest on net OPEB contribution	6,831	3,576	9,724
Adjustment to annual required contribution	<u>(6,027)</u>	<u>(6,394)</u>	<u>(6,279)</u>
Annual OPEB cost (expense)	\$ 49,276	\$ 62,403	\$ 49,034
Contributions made	<u>(32,498)</u>	<u>(33,918)</u>	<u>(31,796)</u>
Increase in net OPEB obligation	\$ 16,778	\$ 28,485	\$ 17,238
Net OPEB obligation – beginning of year	<u>163,858</u>	<u>180,636</u>	<u>209,121</u>
Net OPEB obligation – end of year	<u>\$180,636</u>	<u>\$209,121</u>	<u>\$226,359</u>

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

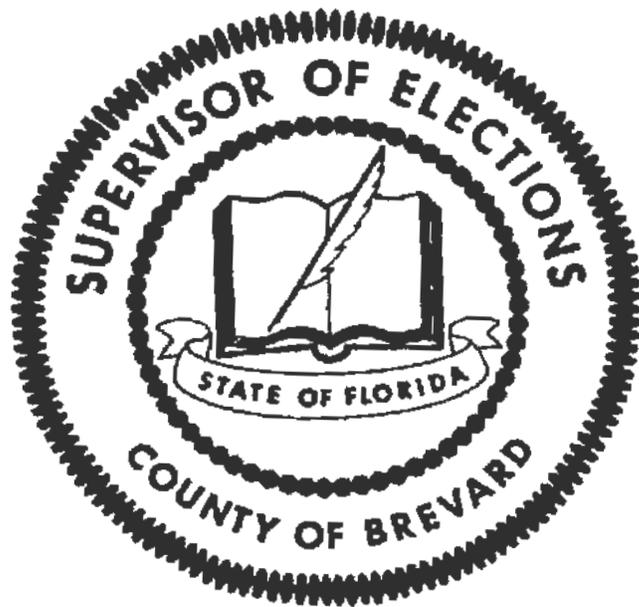
Funded Status and Funding Progress - The contributions made for the 2011, 2012, and 2013 fiscal years were 66.0%, 54.4%, and 64.8%, respectively, of the annual OPEB cost. As of the October 1, 2012 actuarial valuation date, the actuarial accrued liability for benefits was \$786,498, all of which was unfunded by Brevard County. The annual payroll of active employees covered by the OPEB plan was \$1,175,850 and the ratio of the UAAL to the covered payroll was 66.9%.

8. Subsequent Event

The Brevard County Supervisor of Elections has evaluated subsequent events through March 26, 2014, the date which the financial statements were available for issuance.

BREVARD COUNTY SUPERVISOR OF ELECTIONS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 FOR THE RETIREE HEALTH PLAN
 SEPTEMBER 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 1,159,241	\$ 1,159,241	0.0%	\$ 1,748,973	66.3%
10/01/2008	\$ 0	\$ 1,159,241	\$ 1,159,241	0.0%	\$ 1,589,076	73.0%
10/01/2009	\$ 0	\$ 718,480	\$ 718,480	0.0%	\$ 1,337,196	53.7%
10/01/2010	\$ 0	\$ 782,931	\$ 782,931	0.0%	\$ 1,250,210	62.6%
10/01/2011	\$ 0	\$ 856,020	\$ 856,020	0.0%	\$ 1,177,342	72.7%
10/01/2012	\$ 0	\$ 786,498	\$ 786,498	0.0%	\$ 1,175,850	66.9%



BREVARD COUNTY
SUPERVISOR OF ELECTIONS

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



MANAGEMENT LETTER
and
MANAGEMENT COMMENTS AND RECOMMENDATIONS

SEPTEMBER 30, 2013

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

The Honorable Lori Scott
Brevard County Supervisor of Elections
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the major fund of Brevard County Supervisor of Elections (the "Supervisor"), as of and for the year ended September 30, 2013, and the related notes to the special-purpose financial statements, which collectively comprise the Supervisor's special-purpose financial statements, and have issued our report thereon dated March 26, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

March 26, 2014
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

MANAGEMENT LETTER

The Honorable Lori Scott
Brevard County Supervisor of Elections
Brevard County, Florida

We have audited the special-purpose financial statements of the Brevard County Supervisor of Elections (the "Supervisor"), Florida, as of and for the fiscal year ended September 30, 2013, and have issued our report thereon dated March 26, 2014.

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 Florida Auditor General. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Chapter 10.550 Rules of the Florida Auditor General. Disclosures in this report, which is dated March 26, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Supervisor complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

➤ Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address 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.

➤ Section 10.554(1)(i)5., 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 was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Supervisor.

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

March 26, 2014
Melbourne, Florida

Berman Hopkins Wright & Latham
CPAs and Associates, LLP

Brevard County Supervisor of Elections
MANAGEMENT COMMENTS AND RECOMMENDATIONS
September 30, 2013

For the year ended September 30, 2013, there are no management comments or recommendations.

