

# BREVARD COUNTY

BREVARD COUNTY, FLORIDA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

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FOR THE YEAR ENDED SEPTEMBER 30, 2006

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**INDEPENDENT AUDITOR'S REPORT**

Board of County Commissioners  
Brevard County, Florida



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, 2006, which collectively comprise Brevard County, Florida's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Brevard County, Florida's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Titusville-Cocoa Airport Authority, Melbourne-Tillman Water Control District, and Brevard County Housing Finance Authority, which collectively represent 95 percent, 95 percent and 84 percent, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units of Brevard County, Florida. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the aggregate discretely presented component units is based on the reports of the other auditors.

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

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida, as of September 30, 2006, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Emergency Services, and Brevard County Transportation Trust Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.



In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2007, on our consideration of Brevard County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 11, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

March 23, 2007  
Melbourne, Florida

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

# Management's Discussion and Analysis

As management of Brevard County, we offer readers of the Brevard County Financial Statements this narrative overview and analysis of the financial activities of Brevard County for the fiscal year ended September 30, 2006. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal of the report. All amounts, unless otherwise indicated, are expressed in millions of dollars.

## Financial Highlights

- Brevard County's assets exceeded its liabilities at September 30, 2006 by \$797.4 million (net assets). Of this amount, \$123.7 million (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets increased \$144.6 million over the previous year with \$123.4 million of the increase resulting from governmental activities and \$21.2 million resulting from business-type activities.
- The General Fund reported a fund balance of \$47.7 million, an increase from last fiscal year of \$13.5 million.
- Total bonded debt increased \$21.3 million in fiscal year 2006.

## 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 basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Brevard County, assets exceeded liabilities by \$797.4 million at the close of the most recent fiscal year. Brevard County's increase in net assets for this fiscal year amounts to \$123.7 million.

The largest portion of Brevard County's net assets (53 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.

<b>Brevard County's Net Assets</b> (in millions)						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Current and other assets	\$438.0	\$369.4	\$114.3	\$102.9	\$ 552.3	\$ 472.3
Capital assets	<u>497.8</u>	<u>393.9</u>	<u>231.3</u>	<u>226.3</u>	<u>729.1</u>	<u>620.2</u>
Total assets	<u>\$935.8</u>	<u>\$763.3</u>	<u>\$345.6</u>	<u>\$329.2</u>	<u>\$1,281.4</u>	<u>\$1,092.5</u>
Long-term liabilities outstanding	\$301.0	\$267.8	\$ 94.7	\$101.2	\$ 395.7	\$ 369.0
Other liabilities	<u>71.9</u>	<u>55.9</u>	<u>16.4</u>	<u>14.8</u>	<u>88.3</u>	<u>70.7</u>
Total liabilities	<u>\$372.9</u>	<u>\$323.7</u>	<u>\$111.1</u>	<u>\$116.0</u>	<u>\$ 484.0</u>	<u>\$ 439.7</u>
Net assets						
Invested in capital assets, net of related debt	\$273.4	\$237.0	\$146.4	\$134.1	\$ 419.8	\$ 371.1
Restricted	223.8	156.7	30.1	29.1	253.9	185.8
Unrestricted	<u>65.7</u>	<u>45.9</u>	<u>58.0</u>	<u>50.0</u>	<u>123.7</u>	<u>95.9</u>
Total net assets	<u>\$562.9</u>	<u>\$439.6</u>	<u>\$234.5</u>	<u>\$213.2</u>	<u>\$ 797.4</u>	<u>\$ 652.8</u>

An additional portion of Brevard County's net assets (32 percent) represents resources that are subject to external restrictions on how they may be used. The restrictions include acquiring land for preservation, capital improvements to parks, road construction/resurfacing and modernizing judicial records systems. The remaining balance of unrestricted net assets (\$123.7 million) may be used to meet the government's ongoing obligations to citizens and creditors within the respective governmental and business-type activities.

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

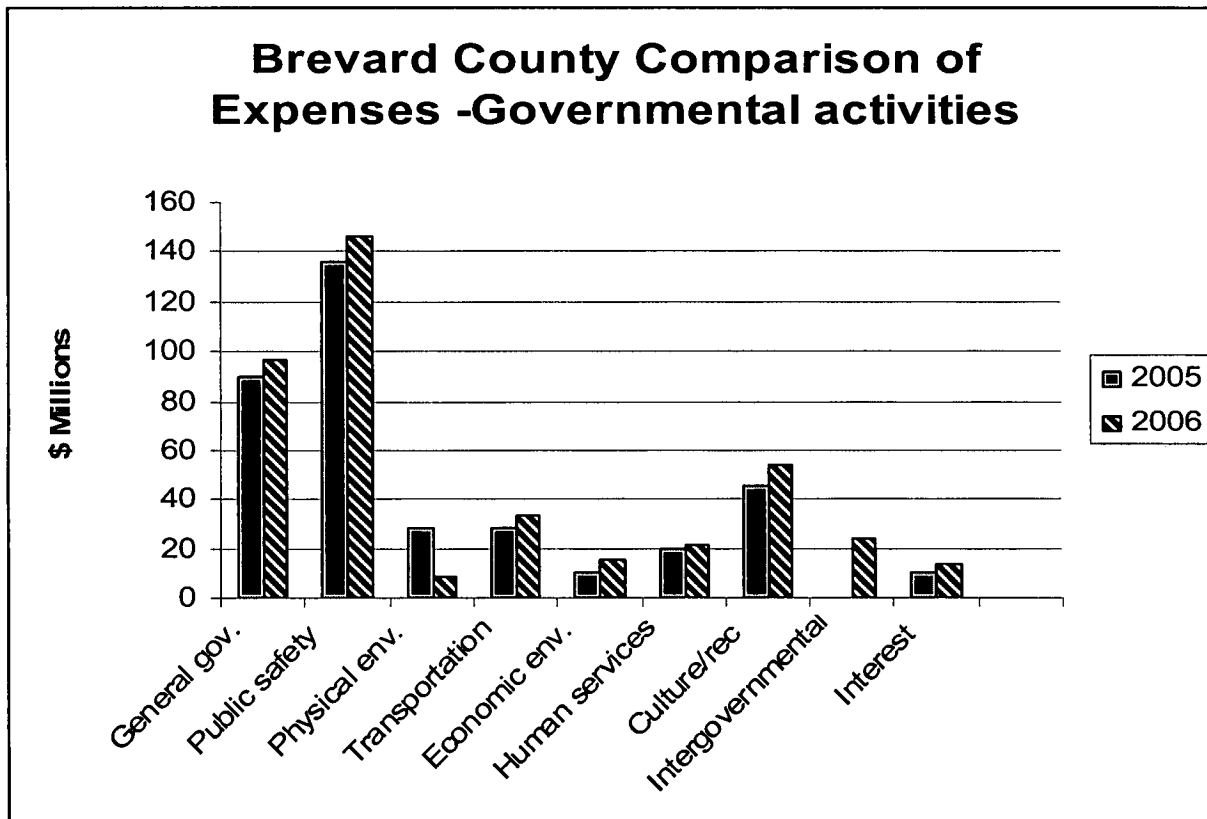
The Changes in Net Assets displayed below shows the governmental and business-type activities during the fiscal year. The increase in net assets resulted primarily from additional infrastructure added along with additional taxes, user fees and capital bond proceeds received but remained unspent at year-end.

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

	Governmental Activities		Business-type Activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenues						
Programs revenues:						
Charges for services	\$137.0	\$123.9	\$ 69.2	\$ 62.5	\$206.2	\$186.4
Operating grants and contributions	42.7	42.2	7.2	17.1	49.9	59.3
Capital grants and contributions	1.0	2.6	17.5	15.0	18.5	17.6
General revenues:						
Property taxes	210.7	188.7	0	0	210.7	188.7
Other taxes	41.2	35.3	0	0	41.2	35.3
State shared	35.7	34.8	0	0	35.7	34.8
Interest	18.7	7.3	4.9	2.2	23.6	9.5
Other	<u>11.2</u>	<u>10.4</u>	<u>1.0</u>	<u>1.2</u>	<u>12.2</u>	<u>11.6</u>
Total revenues	<u>\$498.2</u>	<u>\$445.2</u>	<u>\$ 99.8</u>	<u>\$ 98.0</u>	<u>\$598.0</u>	<u>\$543.2</u>
Expenses:						
General government	\$ 96.7	\$ 90.0	\$ 0	\$ 0	\$ 96.7	\$ 90.0
Public safety	146.2	136.4	0	0	146.2	136.4
Physical environment	8.4	28.6	0	0	8.4	28.6
Transportation	33.0	28.2	0	0	33.0	28.2
Economic development	15.5	10.3	0	0	15.5	10.3
Human services	21.4	19.5	0	0	21.4	19.5
Culture and recreation	54.2	45.1	0	0	54.2	45.1
Intergovernmental	23.7	0	0	0	23.7	0
Interest on long-term debt	13.3	10.5	0	0	13.3	10.5
Solid waste	0	0	36.6	46.8	36.6	46.8
Water resources	0	0	30.7	31.1	30.7	31.1
Transit service	0	0	9.3	8.1	9.3	8.1
Golf courses	<u>0</u>	<u>0</u>	<u>4.8</u>	<u>4.0</u>	<u>4.8</u>	<u>4.0</u>
Total expenses	<u>\$412.4</u>	<u>\$368.6</u>	<u>\$ 81.4</u>	<u>\$ 90.0</u>	<u>\$493.8</u>	<u>\$458.6</u>
Increase in net assets before transfers	\$ 85.8	\$ 76.6	\$ 18.4	\$ 8.0	\$104.2	\$ 84.6
Transfers	<u>(2.0)</u>	<u>(1.1)</u>	<u>2.0</u>	<u>1.1</u>	<u>0</u>	<u>0</u>
Increase in net assets	<u>\$ 83.8</u>	<u>\$ 75.5</u>	<u>\$ 20.4</u>	<u>\$ 9.1</u>	<u>\$104.2</u>	<u>\$ 84.6</u>
Net assets beginning	\$439.6	\$364.1	\$213.2	\$204.1	\$652.8	\$568.2
Cumulative effect in prior years	<u>39.6</u>	<u>0</u>	<u>0.9</u>	<u>0</u>	<u>40.5</u>	<u>0</u>
Net assets ending	<u>\$563.0</u>	<u>\$439.6</u>	<u>\$234.5</u>	<u>\$213.2</u>	<u>\$797.5</u>	<u>\$652.8</u>

### Financial Analysis of Governmental Activities

Governmental activities increased the County's net assets by \$83.8 million, compared to an increase of \$75.5 in the previous year. Public safety expenses, including the Sheriff's department and Fire/Rescue account for the largest percentage of program expenses at 35% of net program expenses. The County received federal and state emergency funds in fiscal year 2005 to accommodate repairs from the hurricanes, which are classified as physical environment. Intergovernmental expenses in the amount of \$23.7 million were incurred in fiscal year 2006, primarily for payments to the local school board to support capital improvements. Property tax revenues increased 11.6% over the previous year as a result of growth and increase property assessments. The chart comparing the major expenses of governmental activities for fiscal years 2005 and 2006 is as follows:



### Financial Analysis of Business-type Activities

Business type activities increased the County's net assets by \$20.4 million, compared to \$9.1 million in the previous year. The County's water resources operations experienced the largest increase in net assets because of service fee rate increases and customer growth while expenses have shown a slight decrease. Expenses for the County's solid waste operation decreased by \$10.2 million from the prior fiscal year because of hurricane-related expenses incurred in fiscal year 2005.

### Financial Analysis of Brevard County's Funds

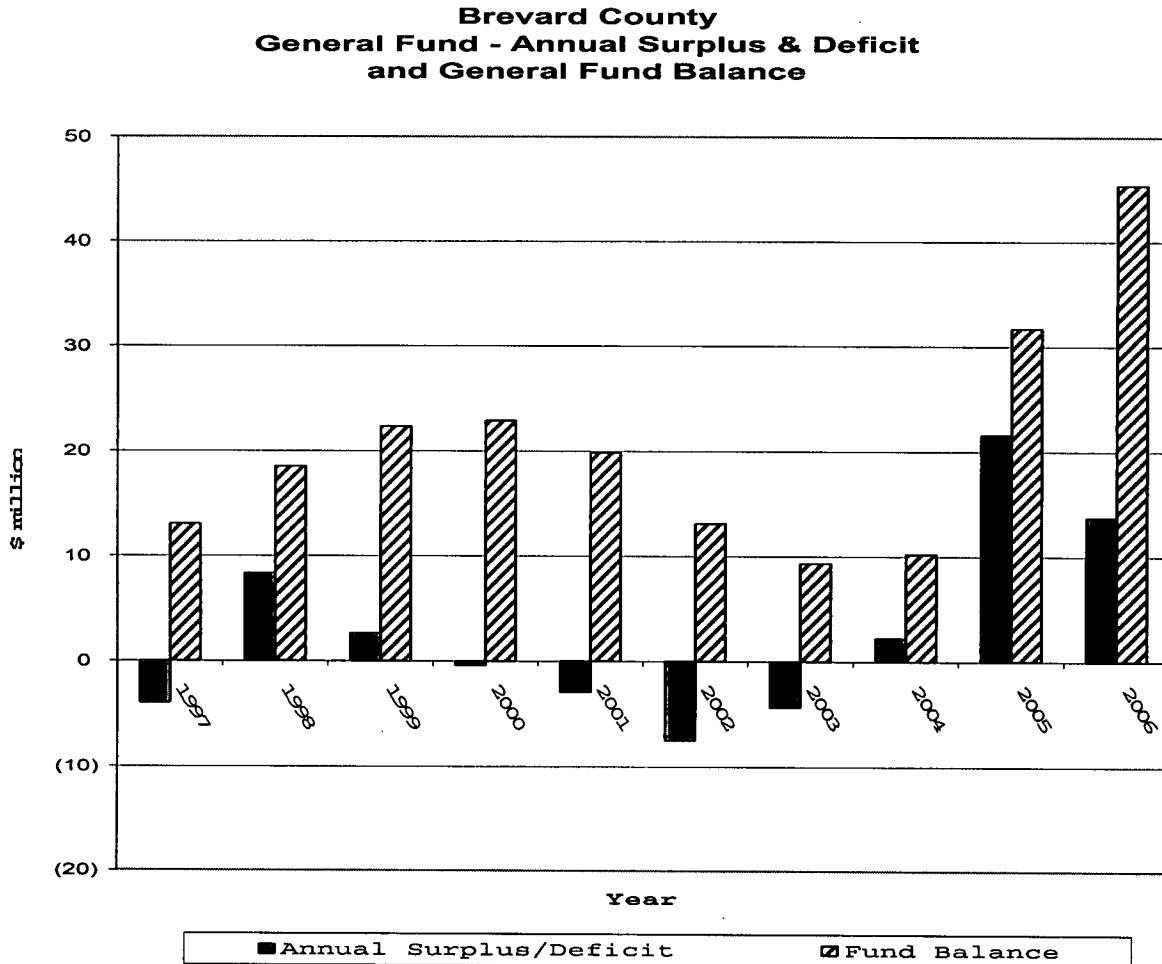
As noted earlier, Brevard County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Governmental Funds

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

As of September 30, 2006, Brevard County governmental funds reported combined fund balances of \$349.4 million, an increase of \$53.4 million over the prior year balances. The increase is a result of taxes and other revenues received that remained unexpended and debt proceeds dedicated to roads and fire stations that have been carried forward into fiscal year 2007.

The General Fund is the chief operating fund of the County. At September 30, 2006, total fund balance in the General Fund was \$47.7 million, of which \$45.4 million was unreserved. As a measure of the General Fund's liquidity, the total and unreserved fund balances compared to total fund expenditures shows percentages of 20.1% and 19.1% respectively. The General Fund revenues and other financing sources for fiscal year 2006 exceeded expenditures and other financing uses by \$13.7 million. The graph illustrating the General Fund annual financial results since 1997 is as follows:



The state shared revenues, electric franchise fees, communications taxes, investment earnings, remittance of excess fees from charter officers and other general revenues generated \$12 million more than the amount anticipated in the fiscal year 2006 budget. The actual costs incurred for the Medicaid program, elections, judicial operations, repair of county facilities, animal control and other public services were less than the amount appropriated for the year. The surplus revenues and unused funding within departments were not re-appropriated toward other purposes during the year and represent part of fund balance at fiscal year end. The General Fund unreserved fund balance at September 30, 2006 is \$45.4 million, an increase of \$13.7 million over the preceding fiscal year.

The Emergency Services Special Revenue fund, which accounts for fire protection and ambulance services, generated a surplus of \$9.2 million during fiscal year 2006. The \$30.7 million of property taxes collected during the fiscal year represented a \$5.7 million increase over the amount collected for fiscal year 2005. The cost of personnel and operations was approximately \$2.7 million less than budgeted. The department budgeted \$2.9 million for reserves and the funds remained unexpended at fiscal year end. Emergency Services acquired new fire trucks and ambulances as part of the \$7.2 million capital budget. The department expended a total of \$4.4 million toward capital for the fiscal year and the remaining \$2.8 million is available in fiscal year 2007. The County expects to spend \$1 million replacing the emergency 911 consoles and improving the communications network.

The Tourist Development Tax Special Revenue fund ended fiscal year 2006 with a fund balance of \$11.5 million, an increase of \$3.2 million over the preceding fiscal year. The tourist taxes collected during fiscal year 2006 totaled \$8.5 million, which represents \$1.7 million for each of the five cents levied. The County is using part of the balance to refurbish the major league baseball facility. A portion of the annual tax and fund balance are being applied to beach renourishment initiated in fiscal year 2005 and the outstanding debt.

The cash and investments held in the Transportation Trust, the Parks and Recreation Facilities, and the Environmentally Endangered Land Purchases Fund(s) include approximately \$159 million dedicated to construct roads, parks, and purchase land within the County. The funds were generated from municipal bonds financially supported by gas taxes and voter-approved property taxes.

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

**Enterprise Funds.** At September 30, 2006, total net assets amounted to \$234.5 million for enterprise funds as compared to \$213.2 million at September 30, 2005. Net asset changes are a result of operations, investment earnings and capital contributions in the Solid Waste Management and Water Resources funds.

The Solid Waste Management Department reported a change in net assets of \$4.4 million, which includes impact fees of \$2.1 million. The service fees assessed are also used to fund part of the department's ongoing capital program.

The Water Resources Department reported a change in net assets of \$12.2 million. A net loss before contributions and transfers of \$2.8 million is offset primarily by capital contributions from connection fees of \$6.3 million and \$7.8 million in assets donated by developers. The assets donated by developers include the water/sewer lines and lift stations to be subsequently maintained by the County. The net loss resulted from depreciation on infrastructure assets contributed by private developers. This depreciation level is expected to continue into future years, but will not inhibit operations of the system or debt service compliance. The rates were increased 4% on October 1, 2005, and another 2% effective October 1, 2006. The service fees and connection fees are also applied toward updating the systems infrastructure.

### **General Fund Budgetary Highlights**

Budget to actual statement is provided for the General Fund. A budget column for both the original budget adopted for fiscal year 2006 as well as the final budget is presented.

A comparison of the original to the final operating revenue budget shows an increase of \$10.4 million, primarily as a result of Federal and State grants applied to hurricanes relief.



Expenditures were \$25 million less than final budgeted amounts. The actual cost of some public services was less than anticipated in the budget and several projects were not completed during fiscal year 2006.

### 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, 2006, amounts to \$729.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and structures, improvements, machinery and equipment, and park facilities. The roads, highways, bridges and other infrastructure are also included. The total increase in Brevard County's investment in capital assets for the current fiscal year was 17.6 percent (a 26.4 percent increase for governmental activities and a 2.2 percent increase for business-type activities).

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

	Governmental Activities		Business-type Activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Land	\$156.6	\$123.5	\$ 38.0	\$ 37.7	\$194.6	\$161.2
Buildings and structures	129.8	114.6	37.6	37.3	167.4	151.9
Infrastructure	57.0	30.5	6.8	2.3	63.8	32.8
Improvements to land	14.5	9.0	11.1	11.5	25.6	20.5
Improvements other than buildings	9.0	10.4	110.3	109.3	119.3	119.7
Machinery and equipment	46.8	43.8	15.7	15.3	62.5	59.1
Construction in progress	<u>84.1</u>	<u>62.1</u>	<u>11.8</u>	<u>12.9</u>	<u>95.9</u>	<u>75.0</u>
Total	<u>\$497.8</u>	<u>\$393.9</u>	<u>\$231.3</u>	<u>\$226.3</u>	<u>\$729.1</u>	<u>\$620.2</u>

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

**Long-term debt.** At the end of the current fiscal year, Brevard County had total bonded debt outstanding of \$362.3 million. Of this amount, \$127.9 million comprises debt backed by voter approved property taxes and \$234.4 million is secured solely by specified revenue sources (i.e., revenue bonds).

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

##### General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Limited Ad valorem Tax Bonds	\$127.9	\$136.7	\$ 0	\$ 0	\$127.9	\$136.7
Revenue bonds	<u>151.0</u>	<u>112.7</u>	<u>83.4</u>	<u>91.6</u>	<u>234.4</u>	<u>204.3</u>
Total	<u>\$278.9</u>	<u>\$249.4</u>	<u>\$ 83.4</u>	<u>\$ 91.6</u>	<u>\$362.3</u>	<u>\$341.0</u>

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

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

- The unemployment rate for Brevard County is currently 3.1 percent, which was a decrease from a rate of 3.6 percent a year ago. The state's average unemployment rate is 3.3 percent and the national average rate is 4.6 percent.
- Total property valuation increased from \$59.6 billion to \$72.6 billion. Taxable property valuation increased from \$31.1 billion to \$39.4 billion. The valuation of Save Our Homes exemptions is \$14.4 billion.

All of these factors were considered in preparing Brevard County's budget for the 2007 fiscal year.

### **Requests for Information**

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





# **BASIC FINANCIAL STATEMENTS**



BREVARD COUNTY, FLORIDA  
STATEMENT OF NET ASSETS  
SEPTEMBER 30, 2006

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and cash equivalents	\$ 397,284,115	\$ 61,600,272	\$ 458,884,387	\$ 15,995,209
Cash with escrow and paying agents	1,394,396	0	1,394,396	0
Investments	4,974,637	3,963,053	8,937,690	0
Receivables (net of allowance for uncollectibles)	11,800,792	1,299,650	13,100,442	391,383
Assessments receivable	68,765	0	68,765	0
Accrued interest receivable	2,150,172	602,833	2,753,005	18,324
Internal balances	(4,060,082)	4,060,082	0	0
Due from other governmental units	13,875,625	5,244,893	19,120,518	423,834
Inventory of supplies	3,618,966	1,083,884	4,702,850	32,323
Prepaid items	2,970,460	0	2,970,460	68,137
Deferred charges	0	0	0	3,959
Restricted assets:				
Cash and cash equivalents	0	34,187,076	34,187,076	0
Investments, at cost or amortized cost	0	1,194,500	1,194,500	0
Due from other governmental units	0	334,537	334,537	0
Capital assets, net of accumulated depreciation:				
Land	156,553,882	37,991,904	194,545,786	12,517,483
Buildings and structures	129,771,318	37,616,082	167,387,400	6,894,595
Infrastructure	57,001,023	6,755,386	63,756,409	0
Improvements to land	14,459,299	11,149,648	25,608,947	2,662,209
Improvements other than buildings	9,039,138	110,207,048	119,246,186	12,124,742
Machinery and equipment	46,912,059	15,712,922	62,624,981	1,842,452
Construction in progress	84,055,569	11,836,429	95,891,998	3,311,175
Assessments receivable - deferred	279,634	0	279,634	0
Capital lease receivable	560,000	0	560,000	0
Unamortized debt issue costs	3,114,621	753,794	3,868,415	0
Total assets	\$ 935,824,389	\$ 345,593,993	\$ 1,281,418,382	\$ 56,285,825

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
LIABILITIES				
Vouchers and contracts payable	\$ 29,721,504	\$ 4,475,601	\$ 34,197,105	\$ 491,508
Accrued wages and benefits payable	6,445,113	297,097	6,742,210	21,039
Accrued interest payable	2,502,320	120,263	2,622,583	0
Advance payments	0	0	0	330,406
Due to other governmental units	2,193,055	178,703	2,371,758	0
Matured interest payable	0	4,708	4,708	0
Unearned revenue	1,392,401	0	1,392,401	64,175
Liabilities payable from restricted assets:				
Accrued interest payable	0	601,377	601,377	0
Customer deposits	0	1,445,090	1,445,090	0
Revenue bonds	0	3,435,000	3,435,000	0
Unearned revenue	0	199,425	199,425	0
Noncurrent liabilities:				
Due within one year:				
Claims payable	7,971,395	0	7,971,395	0
Compensated absences	1,685,800	134,185	1,819,985	216,899
Leases payable	260,339	127,901	388,240	171,108
Notes payable	1,423,000	0	1,423,000	0
Bonds payable	18,278,850	5,446,150	23,725,000	0
Due in more than one year:				
Claims payable	4,139,298	0	4,139,298	0
Landfill closure and postclosure care	0	17,022,053	17,022,053	0
Compensated absences	23,811,581	1,802,500	25,614,081	0
Leases payable	415,726	302,816	718,542	2,103,922
Notes payable	13,957,000	0	13,957,000	0
Bonds payable (net of unamortized discounts and deferred amount on refunding)	258,675,364	75,546,605	334,221,969	0
Total liabilities	\$ 372,872,746	\$ 111,139,474	\$ 484,012,220	\$ 3,399,057
NET ASSETS				
Invested in capital assets (net of related debt)	\$ 273,403,121	\$ 146,410,947	\$ 419,814,068	\$ 37,077,625
Restricted for:				
Debt Service	308,783	9,135,613	9,444,396	0
General government	25,234,233	0	25,234,233	0
Education	11,909,847	0	11,909,847	0
Public safety	16,798,364	0	16,798,364	0
Physical environment	8,212,182	0	8,212,182	0
Transportation	98,297,293	0	98,297,293	0
Economic environment	11,474,648	0	11,474,648	0
Human services	11,395,224	0	11,395,224	0
Culture and Recreation	40,215,353	0	40,215,353	0
Renewal and replacement	0	20,899,608	20,899,608	0
Unrestricted	65,702,595	58,008,351	123,710,946	15,809,143
Total net assets	\$ 562,951,643	\$ 234,454,519	\$ 797,406,162	\$ 52,886,768

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

BREVARD COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER, 30, 2006

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 96,682,297	\$ 53,269,130	\$ 1,749,331	\$ 0
Public safety	146,183,608	38,662,327	5,172,435	740,734
Physical environment	8,411,598	4,436,263	6,403,686	100,000
Transportation	32,990,396	12,241,878	10,377,439	0
Economic environment	15,509,627	0	13,542,626	0
Human services	21,425,695	24,124,674	2,151,081	0
Culture and recreation	54,156,711	4,292,464	3,277,331	200,000
Intergovernmental	23,695,982	0	0	0
Interest on long-term debt	13,308,795	0	0	0
Total governmental activities	<u>\$ 412,364,709</u>	<u>\$ 137,026,736</u>	<u>\$ 42,673,929</u>	<u>\$ 1,040,734</u>
Business type activities:				
Solid Waste	\$ 36,592,711	\$ 38,092,220	\$ 943,006	\$ 2,141,317
Water Resources	30,672,686	26,021,614	47,339	14,210,571
Transit Service	9,317,241	1,918,602	5,588,813	1,156,134
County-wide golf courses	4,799,453	3,172,815	595,613	0
Total business type activities	<u>\$ 81,382,091</u>	<u>\$ 69,205,251</u>	<u>\$ 7,174,771</u>	<u>\$ 17,508,022</u>
Total primary government	<u><u>\$ 493,746,800</u></u>	<u><u>\$ 206,231,987</u></u>	<u><u>\$ 49,848,700</u></u>	<u><u>\$ 18,548,756</u></u>
Component units:				
North Brevard County				
Public Library District	\$ 935	\$ 5,434	\$ 0	\$ 0
Merritt Island Redevelopment Agency	343,973	0	0	0
Titusville-Cocoa Airport Authority	2,643,606	1,770,940	0	3,160,653
Melbourne-Tillman Water Control District	2,403,854	1,587,942	0	0
Housing Finance Authority	142,718	211,544	0	0
Total component units	<u>\$ 5,535,086</u>	<u>\$ 3,575,860</u>	<u>\$ 0</u>	<u>\$ 3,160,653</u>

General revenues:

Taxes:

Ad valorem taxes, levied for general purposes  
Ad valorem taxes, levied for debt service  
Franchise fees  
Local option gas tax  
Tourist tax  
Other

State shared revenues (unrestricted)

Interest income

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets - beginning

Cumulative effect of prior years accounting error

Net assets - beginning, restated

Net assets - ending

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

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

<i>Primary Government</i>			<i>Component Units</i>
<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	
\$ (41,663,836)	\$ 0	\$ (41,663,836)	
(101,608,112)	0	(101,608,112)	
2,528,351	0	2,528,351	
(10,371,079)	0	(10,371,079)	
(1,967,001)	0	(1,967,001)	
4,850,060	0	4,850,060	
(46,386,916)	0	(46,386,916)	
(23,695,982)	0	(23,695,982)	
(13,308,795)	0	(13,308,795)	
<u>\$ (231,623,310)</u>	<u>\$ 0</u>	<u>\$ (231,623,310)</u>	
\$ 0	\$ 4,583,832	\$ 4,583,832	
0	9,606,838	9,606,838	
0	(653,692)	(653,692)	
0	(1,031,025)	(1,031,025)	
<u>\$ 0</u>	<u>\$ 12,505,953</u>	<u>\$ 12,505,953</u>	
<u>\$ (231,623,310)</u>	<u>\$ 12,505,953</u>	<u>\$ (219,117,357)</u>	
			\$ 4,499
			(343,973)
			2,287,987
			(815,912)
			68,826
			<u>\$ 1,201,427</u>
\$ 193,979,483	\$ 0	\$ 193,979,483	\$ 198,375
16,700,533	0	16,700,533	0
24,726,195	0	24,726,195	0
7,970,851	0	7,970,851	0
8,511,892	0	8,511,892	0
0	0	0	1,304,964
35,668,323	0	35,668,323	0
18,702,480	4,932,633	23,635,113	656,628
11,191,159	922,632	12,113,791	87,940
(2,017,809)	2,017,809	0	0
<u>\$ 315,433,107</u>	<u>\$ 7,873,074</u>	<u>\$ 323,306,181</u>	<u>\$ 2,247,907</u>
<u>\$ 83,809,797</u>	<u>\$ 20,379,027</u>	<u>\$ 104,188,824</u>	<u>\$ 3,449,334</u>
\$ 439,586,665	\$ 213,205,521	\$ 652,792,186	\$ 49,437,434
39,555,181	869,971	40,425,152	0
<u>\$ 479,141,846</u>	<u>\$ 214,075,492</u>	<u>\$ 693,217,338</u>	<u>\$ 49,437,434</u>
<u>\$ 562,951,643</u>	<u>\$ 234,454,519</u>	<u>\$ 797,406,162</u>	<u>\$ 52,886,768</u>



BREVARD COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<u>General</u>	<u>Emergency Services</u>
<b>ASSETS</b>		
Cash	\$ 55,830,412	\$ 17,984,051
Cash with escrow and paying agent	0	0
Investments	0	0
Receivables (net of allowance for uncollectibles):		
Accounts	3,679,383	7,093,951
Assessments, current	23,100	0
Accrued interest	248,186	120,745
Due from other funds	169,169	186,663
Due from other governmental units	6,718,111	146,742
Inventory of supplies	2,166,942	590,195
Advances to other funds	170,000	0
Prepaid items	150,443	0
Assessments receivable - deferred	20,403	0
Capital lease receivable	0	0
Total assets	<u>\$ 69,176,149</u>	<u>\$ 26,122,347</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Vouchers and contracts payable	\$ 9,202,167	\$ 2,889,791
Accrued wages and benefits payable	5,087,692	497,340
Due to other funds	795,813	0
Due to other governmental units	1,936,512	3,055
Advances from other funds	2,070,606	0
Deferred revenue	2,359,279	5,648,601
Total liabilities	<u>\$ 21,452,069</u>	<u>\$ 9,038,787</u>
<b>Fund balances:</b>		
Reserved for:		
Debt service	\$ 0	\$ 0
Inventory	2,166,942	590,195
Prepaid items	150,443	0
Unreserved, reported in:		
General Fund	45,406,695	0
Debt Service funds	0	0
Special Revenue funds	0	16,493,365
Capital Project funds	0	0
Total fund balances	<u>\$ 47,724,080</u>	<u>\$ 17,083,560</u>
Total liabilities and fund balances	<u>\$ 69,176,149</u>	<u>\$ 26,122,347</u>

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

<i>Brevard County Transportation Trust</i>	<i>Parks and Recreation Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 97,065,162	\$ 21,298,696	\$ 65,305,097	\$ 103,349,280	\$ 360,832,698
255,921	0	0	402,255	658,176
0	0	4,974,637	0	4,974,637
492,643	11,308	0	163,562	11,440,847
0	0	0	45,665	68,765
536,020	110,304	385,848	544,842	1,945,945
0	200,000	0	912,757	1,468,589
2,444,289	20,556	15,800	4,324,623	13,670,121
42,730	0	0	819,099	3,618,966
0	0	0	517,498	687,498
0	0	0	0	150,443
0	0	0	259,231	279,634
0	0	0	560,000	560,000
<u>\$ 100,836,765</u>	<u>\$ 21,640,864</u>	<u>\$ 70,681,382</u>	<u>\$ 111,898,812</u>	<u>\$ 400,356,319</u>
\$ 3,972,277	\$ 4,673,923	\$ 289,400	\$ 6,952,145	\$ 27,979,703
141,777	4,304	0	678,034	6,409,147
0	0	0	932,453	1,728,266
1,328	0	0	252,160	2,193,055
0	0	0	436,666	2,507,272
215,523	0	16,000	1,896,158	10,135,561
<u>\$ 4,330,905</u>	<u>\$ 4,678,227</u>	<u>\$ 305,400</u>	<u>\$ 11,147,616</u>	<u>\$ 50,953,004</u>
\$ 0	\$ 0	\$ 0	\$ 877,000	\$ 877,000
42,730	0	0	819,099	3,618,966
0	0	0	0	150,443
0	0	0	0	45,406,695
0	0	0	10,914,378	10,914,378
96,463,130	0	0	73,924,928	186,881,423
0	16,962,637	70,375,982	14,215,791	101,554,410
<u>\$ 96,505,860</u>	<u>\$ 16,962,637</u>	<u>\$ 70,375,982</u>	<u>\$ 100,751,196</u>	<u>\$ 349,403,315</u>
<u>\$ 100,836,765</u>	<u>\$ 21,640,864</u>	<u>\$ 70,681,382</u>	<u>\$ 111,898,812</u>	<u>\$ 400,356,319</u>

BREVARD COUNTY, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

Fund balances - total governmental funds	\$ 349,403,315
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	495,336,886
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	3,114,621
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	(320,526,974)
Deferred revenue in the governmental funds susceptible to full accrual on the entity-wide statements.	8,743,160
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities.	<u>26,880,635</u>
Net assets of governmental activities	<u><u>\$ 562,951,643</u></u>



BREVARD COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<u>General</u>	<u>Emergency Services</u>
REVENUES		
Taxes	\$ 138,689,395	\$ 30,737,932
Licenses and permits	5,291,412	0
Intergovernmental revenues	45,534,322	2,852,089
Charges for services	39,124,738	18,160,302
Fines and forfeits	4,117,909	438,645
Miscellaneous revenues	10,898,221	14,775,231
Total revenues	<u>\$ 243,655,997</u>	<u>\$ 66,964,199</u>
EXPENDITURES		
Current:		
General government	\$ 89,381,855	\$ 0
Public safety	66,695,050	57,675,535
Physical environment	8,130,440	0
Transportation	7,217,813	0
Economic environment	4,229,468	0
Human services	12,823,440	0
Culture and recreation	16,839,823	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	1,252,000	259,617
Interest	250,090	65,380
Total expenditures	<u>\$ 206,819,979</u>	<u>\$ 58,000,532</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 36,836,018</u>	<u>\$ 8,963,667</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 6,790,306	\$ 474,300
Transfers out	(30,601,031)	(2,660,915)
Proceeds of the sale of capital assets	718,418	43,207
Insurance proceeds	0	147,315
Capital leases issued	0	0
Capital related debt issued	0	2,254,000
Bond premium	0	0
Total other financing sources and (uses)	<u>\$ (23,092,307)</u>	<u>\$ 257,907</u>
Net change in fund balances	\$ 13,743,711	\$ 9,221,574
Fund balances - beginning	34,234,298	7,818,431
Increase (decrease) in reserve for inventory of supplies and prepaid items	(253,929)	43,555
Fund balances - ending	<u>\$ 47,724,080</u>	<u>\$ 17,083,560</u>

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

<i>Brevard County Transportation Trust</i>	<i>Parks and Recreation Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
\$ 8,620,728	\$ 0	\$ 0	\$ 73,840,898	\$ 251,888,953
0	0	0	4,282,019	9,573,431
9,526,578	1,316,656	12,500	21,722,624	80,964,769
4,181,100	0	0	12,627,480	74,093,620
0	0	0	1,531,224	6,087,778
11,529,344	1,375,131	3,852,952	33,812,426	76,243,305
<u>\$ 33,857,750</u>	<u>\$ 2,691,787</u>	<u>\$ 3,865,452</u>	<u>\$ 147,816,671</u>	<u>\$ 498,851,856</u>
\$ 0	\$ 0	\$ 0	\$ 6,424,215	\$ 95,806,070
0	0	0	25,741,810	150,112,395
0	0	0	5,739,884	13,870,324
36,009,244	0	0	5,342,458	48,569,515
0	0	0	12,674,289	16,903,757
0	0	0	8,297,098	21,120,538
0	0	0	30,962,560	47,802,383
4,199,694	0	0	19,496,288	23,695,982
0	29,566,968	5,141,065	9,446,864	44,154,897
3,929,726	0	0	16,886,201	22,327,544
3,836,544	0	0	9,355,802	13,507,816
<u>\$ 47,975,208</u>	<u>\$ 29,566,968</u>	<u>\$ 5,141,065</u>	<u>\$ 150,367,469</u>	<u>\$ 497,871,221</u>
<u>\$ (14,117,458)</u>	<u>\$ (26,875,181)</u>	<u>\$ (1,275,613)</u>	<u>\$ (2,550,798)</u>	<u>\$ 980,635</u>
\$ 4,867,570	\$ 2,407,390	\$ 0	\$ 27,418,710	\$ 41,958,276
(936,588)	0	0	(9,777,551)	(43,976,085)
156,758	0	0	24,639	943,022
18,223	0	0	213,691	379,229
210,578	0	0	0	210,578
48,535,000	0	0	1,387,000	52,176,000
986,980	0	0	0	986,980
<u>\$ 53,838,521</u>	<u>\$ 2,407,390</u>	<u>\$ 0</u>	<u>\$ 19,266,489</u>	<u>\$ 52,678,000</u>
\$ 39,721,063	\$ (24,467,791)	\$ (1,275,613)	\$ 16,715,691	\$ 53,658,635
56,774,679	41,430,428	71,651,595	84,108,248	296,017,679
10,118	0	0	(72,743)	(272,999)
<u><u>\$ 96,505,860</u></u>	<u><u>\$ 16,962,637</u></u>	<u><u>\$ 70,375,982</u></u>	<u><u>\$ 100,751,196</u></u>	<u><u>\$ 349,403,315</u></u>

BREVARD COUNTY, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

Net change in fund balances - total governmental funds	\$ 53,658,635
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.	63,240,739
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	750,946
Some revenues reported governmental funds are to be collected on a long-term basis and therefore are not reported in the statement of activities.	(3,764,445)
Long-term bonds and lease proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded repayments.	(30,210,518)
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.	(4,890,706)
Some expenditures reported in governmental funds are to be collected on a long-term basis and therefore are not reported in the statement of activities.	(272,999)
Internal service funds are used by management to charge the costs of certain services to individual funds. The net (revenue) of the internal service funds is reported with governmental activities.	<u>5,298,145</u>
Change in net assets of governmental activities	<u><u>\$ 83,809,797</u></u>





BREVARD COUNTY, FLORIDA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Taxes:				
Ad valorem taxes	\$ 120,467,678	\$ 120,467,678	\$ 114,613,077	\$ (5,854,601)
Franchise fees	12,695,442	13,535,442	15,737,576	2,202,134
Communication services tax	8,125,332	8,125,332	8,338,742	213,410
Total taxes	\$ 141,288,452	\$ 142,128,452	\$ 138,689,395	\$ (3,439,057)
Licenses and permits:				
Professional and occupational licenses	\$ 295,750	\$ 295,750	\$ 623,924	\$ 328,174
Other licenses	4,308,881	4,448,979	4,667,488	218,509
Total licenses and permits	\$ 4,604,631	\$ 4,744,729	\$ 5,291,412	\$ 546,683
Intergovernmental revenues:				
Federal grants	\$ 3,898,924	\$ 12,017,749	\$ 6,330,532	\$ (5,687,217)
Federal payments in lieu of taxes	40,000	40,000	322,278	282,278
State grants	3,190,938	4,002,595	1,720,768	(2,281,827)
State shared revenues	36,088,545	36,088,545	35,743,723	(344,822)
Payments from other local units in lieu of taxes	1,367,021	1,367,021	1,417,021	50,000
Total intergovernmental revenues	\$ 44,585,428	\$ 53,515,910	\$ 45,534,322	\$ (7,981,588)
Charges for services:				
General government	\$ 12,218,069	\$ 12,529,573	\$ 15,224,173	\$ 2,694,600
Public safety	677,229	848,430	529,775	(318,655)
Physical environment	370,671	349,118	281,961	(67,157)
Transportation	744,922	795,921	744,976	(50,945)
Human services	331,000	331,000	290,314	(40,686)
Culture and recreation	2,517,532	2,517,532	2,591,923	74,391
Court-related revenues	14,435,639	14,435,639	10,596,676	(3,838,963)
Other charges for services	11,355,666	11,057,907	8,864,940	(2,192,967)
Total charges for services	\$ 42,650,728	\$ 42,865,120	\$ 39,124,738	\$ (3,740,382)
Fines and forfeits	\$ 548,510	\$ 421,106	\$ 4,117,909	\$ 3,696,803
Miscellaneous revenues:				
Interest earnings	\$ 1,009,809	\$ 984,934	\$ 4,403,161	\$ 3,418,227
Rents and royalties	1,795,850	1,795,850	1,731,287	(64,563)
Special assessments	0	0	14,760	14,760
Contributions and donations	56,026	56,026	92,281	36,255
Other miscellaneous revenues	2,162,719	2,571,695	4,656,732	2,085,037
Total miscellaneous revenues	\$ 5,024,404	\$ 5,408,505	\$ 10,898,221	\$ 5,489,716
Total revenues	\$ 238,702,153	\$ 249,083,822	\$ 243,655,997	\$ (5,427,825)
EXPENDITURES				
General government:				
Legislative	\$ 1,379,896	\$ 1,417,741	\$ 1,392,062	\$ 25,679
Executive	776,415	814,143	797,861	16,282
Financial and administrative	27,436,979	23,227,967	32,817,520	(9,589,553)
Legal counsel	1,325,937	1,325,937	1,326,518	(581)
Comprehensive planning	3,681,246	3,982,904	3,582,846	400,058
Court related	25,994,790	26,424,685	26,013,982	410,703
Other general government	23,689,733	27,165,853	23,451,066	3,714,787
Total general government	\$ 84,284,996	\$ 84,359,230	\$ 89,381,855	\$ (5,022,625)

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
Expenditures (continued)				
Public safety:				
Law enforcement	\$ 33,381,588	\$ 35,819,477	\$ 34,595,211	\$ 1,224,266
Detention and/or correction	27,940,730	28,586,776	28,203,041	383,735
Protective inspections	2,144,484	2,218,129	1,894,880	323,249
Emergency and disaster relief services	742,490	810,633	752,093	58,540
Medical examiner	1,168,451	1,303,451	1,237,583	65,868
Other public safety	0	0	12,242	(12,242)
Total public safety	\$ 65,377,743	\$ 68,738,466	\$ 66,695,050	\$ 2,043,416
Physical environment:				
Conservation and resource management	\$ 4,173,269	\$ 10,104,761	\$ 8,130,440	\$ 1,974,321
Transportation:				
Road and street facilities	\$ 6,579,965	\$ 7,304,527	\$ 6,726,576	\$ 577,951
Airports	292,283	383,943	383,164	779
Other transportation services	140,645	148,364	108,073	40,291
Total transportation	\$ 7,012,893	\$ 7,836,834	\$ 7,217,813	\$ 619,021
Economic environment:				
Industry development	\$ 3,420,548	\$ 4,047,348	\$ 3,940,635	\$ 106,713
Veterans' services	293,815	293,815	288,833	4,982
Total economic environment	\$ 3,714,363	\$ 4,341,163	\$ 4,229,468	\$ 111,695
Human services:				
Health	\$ 8,428,782	\$ 8,736,903	\$ 7,757,680	\$ 979,223
Mental health	1,870,813	2,208,573	2,201,523	7,050
Welfare	2,478,312	3,051,698	2,798,314	253,384
Developmental disabilities	71,546	71,546	65,923	5,623
Other human services	44,050	44,050	0	44,050
Total human services	\$ 12,893,503	\$ 14,112,770	\$ 12,823,440	\$ 1,289,330
Culture and recreation:				
Parks and recreation	\$ 20,484,097	\$ 21,291,566	\$ 16,328,779	\$ 4,962,787
Cultural services	313,136	513,136	511,044	2,092
Total culture and recreation	\$ 20,797,233	\$ 21,804,702	\$ 16,839,823	\$ 4,964,879
Debt service:				
Principal	\$ 2,669,680	\$ 2,669,680	\$ 1,252,000	\$ 1,417,680
Interest	220,208	220,208	250,090	(29,882)
Total debt service	\$ 2,889,888	\$ 2,889,888	\$ 1,502,090	\$ 1,387,798
Total expenditures	\$ 201,143,888	\$ 214,187,814	\$ 206,819,979	\$ 7,367,835
Excess of revenues over expenditures	\$ 37,558,265	\$ 34,896,008	\$ 36,836,018	\$ 1,940,010
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 2,969,380	\$ 6,449,991	\$ 6,790,306	\$ 340,315
Transfers out	(30,233,614)	(38,537,500)	(30,601,031)	7,936,469
Proceeds of the sale of capital assets	115,000	174,405	718,418	544,013
Total other financing sources and uses	\$ (27,149,234)	\$ (31,913,104)	\$ (23,092,307)	\$ 8,820,797
Net change in fund balances	\$ 10,409,031	\$ 2,982,904	\$ 13,743,711	\$ 10,760,807
Fund balances - beginning	34,234,298	34,234,298	34,234,298	0
Decrease in reserve for inventory of supplies and prepaid items	0	0	(253,929)	(253,929)
Fund balances - ending	\$ 44,643,329	\$ 37,217,202	\$ 47,724,080	\$ 10,506,878

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

BREVARD COUNTY, FLORIDA  
EMERGENCY SERVICES  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Taxes	\$ 31,490,740	\$ 31,490,740	\$ 30,737,932	\$ (752,808)
Intergovernmental revenues	4,200,681	2,269,212	2,852,089	582,877
Charges for services	20,755,707	22,067,036	18,160,302	(3,906,734)
Fines and forfeits	393,680	393,680	438,645	44,965
Miscellaneous revenues	15,520,512	14,420,811	14,775,231	354,420
Total revenues	<u>\$ 72,361,320</u>	<u>\$ 70,641,479</u>	<u>\$ 66,964,199</u>	<u>\$ (3,677,280)</u>
EXPENDITURES				
Current:				
Public safety	\$ 64,192,658	\$ 68,191,032	\$ 57,675,535	\$ 10,515,497
Debt service:				
Principal	80,000	259,617	259,617	0
Interest	3,700	75,952	65,380	10,572
Total expenditures	<u>\$ 64,276,358</u>	<u>\$ 68,526,601</u>	<u>\$ 58,000,532</u>	<u>\$ 10,526,069</u>
Excess of revenues over expenditures	<u>\$ 8,084,962</u>	<u>\$ 2,114,878</u>	<u>\$ 8,963,667</u>	<u>\$ 6,848,789</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 250,934	\$ 383,894	\$ 474,300	\$ 90,406
Transfers out	(2,593,601)	(2,795,578)	(2,660,915)	134,663
Proceeds of the sale of capital assets	19,000	19,000	43,207	24,207
Insurance proceeds	0	0	147,315	147,315
Capital related to debt issued	2,412,268	3,012,268	2,254,000	(758,268)
Total other financing sources and uses	<u>\$ 88,601</u>	<u>\$ 619,584</u>	<u>\$ 257,907</u>	<u>\$ (361,677)</u>
Net change in fund balances	<u>\$ 8,173,563</u>	<u>\$ 2,734,462</u>	<u>\$ 9,221,574</u>	<u>\$ 6,487,112</u>
Fund balances - beginning	7,818,431	7,818,431	7,818,431	0
Increase in reserve for inventory of supplies	0	0	43,555	43,555
Fund balances - ending	<u>\$ 15,991,994</u>	<u>\$ 10,552,893</u>	<u>\$ 17,083,560</u>	<u>\$ 6,530,667</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, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 8,469,212	\$ 8,469,212	\$ 8,620,728	\$ 151,516
Intergovernmental revenues	8,938,288	8,938,288	9,526,578	588,290
Charges for services	3,346,945	4,806,944	4,181,100	(625,844)
Miscellaneous revenues	7,313,206	8,432,554	11,529,344	3,096,790
Total revenues	<u>\$ 28,067,651</u>	<u>\$ 30,646,998</u>	<u>\$ 33,857,750</u>	<u>\$ 3,210,752</u>
EXPENDITURES				
Current:				
Transportation	\$ 58,929,334	\$ 130,734,018	\$ 36,009,244	\$ 94,724,774
Intergovernmental	0	5,107,260	4,199,694	907,566
Debt service:				
Principal	1,585,000	3,795,000	3,929,726	(134,726)
Interest	1,661,410	3,966,315	3,836,544	129,771
Total expenditures	<u>\$ 62,175,744</u>	<u>\$ 143,602,593</u>	<u>\$ 47,975,208</u>	<u>\$ 95,627,385</u>
Deficiency of revenues under expenditures	<u>\$ (34,108,093)</u>	<u>\$ (112,955,595)</u>	<u>\$ (14,117,458)</u>	<u>\$ 98,838,137</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 4,345,277	\$ 4,905,271	\$ 4,867,570	\$ (37,701)
Transfers out	(943,817)	(937,817)	(936,588)	1,229
Proceeds of the sale of capital assets	20,000	20,000	156,758	136,758
Insurance proceeds	5,000	5,000	18,223	13,223
Capital leases issued	0	0	210,578	210,578
Capital related debt issued	18,000,000	66,560,000	48,535,000	(18,025,000)
Bond premium	0	987,000	986,980	(20)
Total other financing sources and uses	<u>\$ 21,426,460</u>	<u>\$ 71,539,454</u>	<u>\$ 53,838,521</u>	<u>\$ (17,700,933)</u>
Net change in fund balances	<u>\$ (12,681,633)</u>	<u>\$ (41,416,141)</u>	<u>\$ 39,721,063</u>	<u>\$ 81,137,204</u>
Fund balances - beginning	56,774,679	56,774,679	56,774,679	0
Increase in reserve for inventory of supplies	0	0	10,118	10,118
Fund balances - ending	<u>\$ 44,093,046</u>	<u>\$ 15,358,538</u>	<u>\$ 96,505,860</u>	<u>\$ 81,147,322</u>

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

BREVARD COUNTY, FLORIDA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2006

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 31,051,079	\$ 22,937,698
Cash with escrow and paying agent	0	0
Investments	3,963,053	0
Accounts receivable (net of allowance for uncollectibles)	816,097	148,976
Accrued interest receivable	367,882	200,624
Due from other funds	42,130	527,216
Due from other governmental units	326,496	3,238,266
Prepaid items	0	0
Inventories	173,093	701,091
Restricted assets:		
Cash and cash equivalents	20,619,481	12,444,774
Investments	1,194,500	0
Due from other governmental units	0	334,537
Total current assets	<u>\$ 58,553,811</u>	<u>\$ 40,533,182</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 27,087,160	\$ 3,732,845
Buildings and structures	25,177,164	19,989,357
Infrastructure	2,397,618	4,521,454
Improvements to land	619,669	7,507,390
Improvements other than buildings	18,669,077	200,049,143
Machinery and equipment	15,685,045	9,056,259
Less accumulated depreciation	(21,060,627)	(122,074,106)
Construction in progress	948,037	8,255,679
Advances to other funds	517,692	2,235,566
Unamortized debt issue costs	40,162	314,969
Total noncurrent assets	<u>\$ 70,080,997</u>	<u>\$ 133,588,556</u>
Total assets	<u>\$ 128,634,808</u>	<u>\$ 174,121,738</u>

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water &amp; Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 1,653,023	\$ 5,958,472	\$ 61,600,272	\$ 36,451,417
0	0	0	736,220
0	0	3,963,053	0
281,922	52,655	1,299,650	359,945
0	34,327	602,833	204,227
0	0	569,346	133,334
61,316	1,618,815	5,244,893	205,504
0	0	0	2,820,017
95,771	113,929	1,083,884	0
1,122,821	0	34,187,076	0
0	0	1,194,500	0
0	0	334,537	0
<u>\$ 3,214,853</u>	<u>\$ 7,778,198</u>	<u>\$ 110,080,044</u>	<u>\$ 40,910,664</u>
\$ 5,000,000	\$ 2,171,899	\$ 37,991,904	\$ 0
800,021	4,490,774	50,457,316	0
0	0	6,919,072	0
0	7,840,442	15,967,501	0
11,874,382	143,732	230,736,334	0
123,205	15,948,040	40,812,549	4,628,930
(3,997,374)	(16,319,579)	(163,451,686)	(2,173,528)
2,434,305	198,408	11,836,429	0
0	0	2,753,258	266,666
317,357	81,306	753,794	0
<u>\$ 16,551,896</u>	<u>\$ 14,555,022</u>	<u>\$ 234,776,471</u>	<u>\$ 2,722,068</u>
<u>\$ 19,766,749</u>	<u>\$ 22,333,220</u>	<u>\$ 344,856,515</u>	<u>\$ 43,632,732</u>

BREVARD COUNTY, FLORIDA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2006

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
<b>LIABILITIES</b>		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 2,093,920	\$ 497,085
Accrued wages and benefits payable	108,577	109,118
Claims payable	0	0
Due to other funds	0	0
Due to other governmental units	168,437	1,383
Matured interest payable	0	4,708
Accrued interest payable	0	0
Accrued compensated absences	43,242	53,389
Revenue bonds	2,535,000	2,200,000
Capital leases payable	0	0
Current liabilities		
(payable from restricted assets):		
Accrued interest payable	0	221,128
Customer deposits	368,424	1,037,070
Revenue bonds	0	3,080,000
Unearned revenue	0	0
Total current liabilities	<u>\$ 5,317,600</u>	<u>\$ 7,203,881</u>
Noncurrent liabilities:		
Revenue bonds payable (net of unamortized discounts and deferred amount on refunding)	\$ 6,651,401	\$ 47,080,739
Capital leases payable	0	0
Notes payable	0	0
Advances from other funds	0	0
Landfill closure and postclosure care	17,022,053	0
Accrued compensated absences	603,050	722,358
Total noncurrent liabilities	<u>\$ 24,276,504</u>	<u>\$ 47,803,097</u>
Total liabilities	<u>\$ 29,594,104</u>	<u>\$ 55,006,978</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	\$ 60,336,742	\$ 78,677,282
Restricted for:		
Debt service	1,194,500	7,941,113
Renewal and replacement	20,251,057	500,000
Unrestricted	17,258,405	31,996,365
Total net assets	<u>\$ 99,040,704</u>	<u>\$ 119,114,760</u>

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

Net assets of business-type activities

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

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water &amp; Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 133,273	\$ 1,751,323	\$ 4,475,601	\$ 1,741,801
9,736	69,666	297,097	35,966
0	0	0	12,110,693
66,003	377,000	443,003	0
0	8,883	178,703	0
0	0	4,708	0
0	120,263	120,263	0
1,583	35,971	134,185	18,768
0	711,150	5,446,150	0
0	127,901	127,901	0
380,249	0	601,377	0
39,596	0	1,445,090	0
355,000	0	3,435,000	0
199,425	0	199,425	0
<u>\$ 1,184,865</u>	<u>\$ 3,202,157</u>	<u>\$ 16,908,503</u>	<u>\$ 13,907,228</u>
\$ 14,849,749	\$ 6,964,716	\$ 75,546,605	\$ 0
0	302,816	302,816	0
0	0	0	112,000
1,200,150	0	1,200,150	0
0	0	17,022,053	0
83,941	393,151	1,802,500	352,238
<u>\$ 16,133,840</u>	<u>\$ 7,660,683</u>	<u>\$ 95,874,124</u>	<u>\$ 464,238</u>
<u>\$ 17,318,705</u>	<u>\$ 10,862,840</u>	<u>\$ 112,782,627</u>	<u>\$ 14,371,466</u>
\$ 1,029,790	\$ 6,367,133	\$ 146,410,947	\$ 2,343,402
0	0	9,135,613	0
148,551	0	20,899,608	0
1,269,703	5,103,247	55,627,720	26,917,864
<u>\$ 2,448,044</u>	<u>\$ 11,470,380</u>	<u>\$ 232,073,888</u>	<u>\$ 29,261,266</u>
		<u>\$ 2,380,631</u>	
		<u>\$ 234,454,519</u>	



BREVARD COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Operating revenues:		
Service fees	\$ 25,086,108	\$ 23,111,452
Less cost of goods sold	0	0
Total operating revenues	<u>\$ 25,086,108</u>	<u>\$ 23,111,452</u>
Operating expenses:		
Wages and benefits	\$ 8,039,951	\$ 7,134,380
Repair, maintenance, and other services	7,392,553	8,709,806
Materials and supplies	4,044,485	1,220,082
Landfill closure and postclosure care	2,305,570	0
Depreciation	3,455,182	8,247,001
Insurance claims expense	0	0
Total operating expenses	<u>\$ 25,237,741</u>	<u>\$ 25,311,269</u>
Operating income (loss)	<u>\$ (151,633)</u>	<u>\$ (2,199,817)</u>
Nonoperating revenues (expenses):		
Income on investments	\$ 2,739,184	\$ 1,714,743
Interest expense	(503,883)	(2,398,512)
Miscellaneous revenue	616,550	43,396
Grants and matching funds	325,630	47,339
Gain (loss) on disposal of capital assets	(176,238)	92,529
Amortization of debt issue costs	(34,154)	(92,433)
Total nonoperating revenues (expenses)	<u>\$ 2,967,089</u>	<u>\$ (592,938)</u>
Income (loss) before contributions and transfers	<u>\$ 2,815,456</u>	<u>\$ (2,792,755)</u>
Capital contributions	\$ 2,141,317	\$ 14,113,701
Transfers in	92,133	0
Transfers out	(510,093)	(19,000)
Total contributions and transfers	<u>\$ 1,723,357</u>	<u>\$ 14,094,701</u>
Change in net assets	<u>\$ 4,538,813</u>	<u>\$ 11,301,946</u>
Net assets - beginning	\$ 94,600,470	\$ 106,884,207
Cumulative effect in prior years of accounting error	(98,579)	928,607
Net assets - beginning, restated	<u>\$ 94,501,891</u>	<u>\$ 107,812,814</u>
Net assets - ending	<u><u>\$ 99,040,704</u></u>	<u><u>\$ 119,114,760</u></u>

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

Change in net assets of business-type activities

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

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water &amp; Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 2,910,162	\$ 18,275,913	\$ 69,383,635	\$ 58,818,276
0	(178,384)	(178,384)	0
<u>\$ 2,910,162</u>	<u>\$ 18,097,529</u>	<u>\$ 69,205,251</u>	<u>\$ 58,818,276</u>
\$ 737,595	\$ 4,782,537	\$ 20,694,463	\$ 3,439,456
689,464	16,631,785	33,423,608	13,557,236
116,638	1,314,063	6,695,268	128,195
0	0	2,305,570	0
796,915	1,953,459	14,452,557	579,569
0	0	0	40,087,329
<u>\$ 2,340,612</u>	<u>\$ 24,681,844</u>	<u>\$ 77,571,466</u>	<u>\$ 57,791,785</u>
<u>\$ 569,550</u>	<u>\$ (6,584,315)</u>	<u>\$ (8,366,215)</u>	<u>\$ 1,026,491</u>
\$ 128,808	\$ 349,898	\$ 4,932,633	\$ 1,590,012
(766,089)	(489,085)	(4,157,569)	(5,616)
8,720	253,966	922,632	2,620,889
0	6,801,802	7,174,771	0
1,601	164,665	82,557	(20,243)
(23,023)	(15,141)	(164,751)	0
<u>\$ (649,983)</u>	<u>\$ 7,066,105</u>	<u>\$ 8,790,273</u>	<u>\$ 4,185,042</u>
\$ (80,433)	\$ 481,790	\$ 424,058	\$ 5,211,533
\$ 96,870	\$ 1,156,134	\$ 17,508,022	\$ 515,750
0	2,562,389	2,654,522	0
0	(107,620)	(636,713)	0
<u>\$ 96,870</u>	<u>\$ 3,610,903</u>	<u>\$ 19,525,831</u>	<u>\$ 515,750</u>
<u>\$ 16,437</u>	<u>\$ 4,092,693</u>	<u>\$ 19,949,889</u>	<u>\$ 5,727,283</u>
\$ 2,377,232	\$ 7,392,119		\$ 23,619,151
54,375	(14,432)		(85,168)
<u>\$ 2,431,607</u>	<u>\$ 7,377,687</u>		<u>\$ 23,533,983</u>
<u>\$ 2,448,044</u>	<u>\$ 11,470,380</u>		<u>\$ 29,261,266</u>
		<u>429,138</u>	
		<u>\$ 20,379,027</u>	

BREVARD COUNTY, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Business-type Activities -</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Cash flows from operating activities:		
Cash receipts for service fees	\$ 25,224,323	\$ 22,531,187
Cash receipts from other sources	616,529	48,623
Cash payments to employees for services	(7,984,426)	(6,993,125)
Cash payments to suppliers for goods and services	(10,976,818)	(9,580,796)
Cash payments for insurance claims	0	0
Net cash provided by (used for) operating activities	<u>\$ 6,879,608</u>	<u>\$ 6,005,889</u>
Cash flows from noncapital financing activities:		
Grant receipts	\$ 1,572,515	\$ 304,877
Transfers in	0	0
Transfers out	(417,960)	(19,000)
Interfund loans	<u>2,138,514</u>	<u>346,463</u>
Net cash flows provided by (used for) noncapital financing activities	<u>\$ 3,293,069</u>	<u>\$ 632,340</u>
Cash flows from capital and related financing activities:		
Principal payments	\$ (2,435,000)	\$ (4,765,000)
Interest payments	(385,853)	(2,768,619)
Capital grant receipts	0	0
Payments to acquire, construct, or improve fixed assets	(3,644,355)	(4,606,203)
Proceeds from disposal of capital assets	368,316	101,307
Impact/connection fees for capital purposes	<u>2,106,692</u>	<u>6,330,404</u>
Net cash flows provided by (used for) capital and related financing activities	<u>\$ (3,990,200)</u>	<u>\$ (5,708,111)</u>
Cash flows from investing activities:		
Interest on investments	<u>\$ 2,278,008</u>	<u>\$ 1,603,489</u>
Net increase (decrease) in cash and cash equivalents	\$ 8,460,485	\$ 2,533,607
Cash and cash equivalents, October 1, 2005	43,210,075	32,848,865
Cash and cash equivalents, September 30, 2006	<u><u>\$ 51,670,560</u></u>	<u><u>\$ 35,382,472</u></u>

<i>Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water &amp; Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 2,915,925	\$ 18,618,389	\$ 69,289,824	\$ 63,070,091
8,679	259,082	932,913	7,532
(703,801)	(4,662,849)	(20,344,201)	(3,374,930)
(802,003)	(17,813,603)	(39,173,220)	(9,970,650)
0	0	0	(46,854,959)
<u>\$ 1,418,800</u>	<u>\$ (3,598,981)</u>	<u>\$ 10,705,316</u>	<u>\$ 2,877,084</u>
\$ 163,091	\$ 8,896,596	\$ 10,937,079	\$ 4,025
0	2,562,389	2,562,389	0
0	(107,620)	(544,580)	0
<u>0</u>	<u>(2,490,241)</u>	<u>(5,264)</u>	<u>(400,000)</u>
<u>\$ 163,091</u>	<u>\$ 8,861,124</u>	<u>\$ 12,949,624</u>	<u>\$ (395,975)</u>
\$ (340,000)	\$ (799,157)	\$ (8,339,157)	\$ (56,000)
(767,985)	(391,919)	(4,314,376)	(5,614)
0	1,156,134	1,156,134	0
(949,844)	(2,014,099)	(11,214,501)	(514,127)
1,737	82,626	553,986	16,384
<u>132,714</u>	<u>0</u>	<u>8,569,810</u>	<u>0</u>
<u>\$ (1,923,378)</u>	<u>\$ (1,966,415)</u>	<u>\$ (13,588,104)</u>	<u>\$ (559,357)</u>
\$ 131,608	\$ 356,521	\$ 4,369,626	\$ 1,518,516
\$ (209,879)	\$ 3,652,249	\$ 14,436,462	\$ 3,440,268
2,985,723	2,306,223	81,350,886	33,747,369
<u>\$ 2,775,844</u>	<u>\$ 5,958,472</u>	<u>\$ 95,787,348</u>	<u>\$ 37,187,637</u>

BREVARD COUNTY, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Business-type Activities -</i>	
	<i><u>Solid Waste Management Department</u></i>	<i><u>Water Resources Department</u></i>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	\$ (151,633)	\$ (2,199,817)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation expense	\$ 3,455,182	\$ 8,247,001
Bad debt expense	0	0
Landfill closure and postclosure care	2,305,570	0
Miscellaneous revenue	616,550	43,396
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	50,769	(32,504)
(Increase) decrease in due from other governmental units	0	0
(Increase) decrease in inventory of supplies	(12,672)	(42,273)
(Increase) decrease in prepaid items	0	0
Increase (decrease) in accounts payable	0	0
Increase (decrease) in customer deposits	41,449	(58,601)
Increase (decrease) in accrued compensated absences	63,089	148,813
Increase (decrease) vouchers & contracts payable	351,034	(92,568)
Increase (decrease) in insurance claims	0	0
Increase (decrease) in wages payable	(8,167)	(7,558)
Increase (decrease) in due to other funds	0	0
Increase (decrease) in due to other governmental units	168,437	0
Total adjustment	\$ 7,031,241	\$ 8,205,706
Net cash provided by operating activities	\$ 6,879,608	\$ 6,005,889
Noncash investing, capital and financing activities:		
Capital contributed from developers	\$ 0	\$ 7,813,337
Decrease in value of investments	\$ (29,385)	\$ 0
Aquisition of capital assets through lease-purchase	\$ 0	\$ 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</i>	<i>Other</i>		<i>Activities-</i>
<i>Water &amp; Sewer</i>	<i>Business-type</i>		<i>Internal</i>
<i>District</i>	<i>Activities</i>	<i>Total</i>	<i>Service Funds</i>
\$ 569,550	\$ (6,584,315)	\$ (8,366,215)	\$ 1,026,491
\$ 796,915	\$ 1,953,459	\$ 14,452,557	\$ 579,569
2,642	0	2,642	94,848
0	0	2,305,570	0
8,720	253,966	922,632	2,620,889
(3,225)	34,769	49,809	(256,659)
0	2,584,092	2,584,092	157,447
(10,505)	17,463	(47,987)	0
0	0	0	(2,820,017)
47,158	0	47,158	0
6,600	0	(10,552)	0
0	61,638	273,540	103,142
0	461,025	719,491	1,384,079
0	0	0	(663)
945	(4,607)	(19,387)	(12,042)
0	(2,377,824)	(2,377,824)	0
0	1,353	169,790	0
<u>\$ 849,250</u>	<u>\$ 2,985,334</u>	<u>\$ 19,071,531</u>	<u>\$ 1,850,593</u>
<u>\$ 1,418,800</u>	<u>\$ (3,598,981)</u>	<u>\$ 10,705,316</u>	<u>\$ 2,877,084</u>
<u>\$ 0</u>	<u>\$ 0</u>		
<u>\$ 0</u>	<u>\$ 0</u>		
<u>\$ 0</u>	<u>\$ 104,977</u>		

BREVARD COUNTY, FLORIDA  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2006

	<i>Agency Funds</i>
ASSETS	
Cash	\$ 25,415,921
Investments	1,529,772
Accounts receivable	173,422
Assessments, current	2,580
Accrued interest receivable	7,554
Due from other governmental units	83,615
Total assets	<u>\$ 27,212,864</u>
LIABILITIES	
Due to employees, individuals, and others	\$ 7,736,513
Due to other governmental units	4,587,355
Escrow and refundable deposits	14,888,996
Total liabilities	<u>\$ 27,212,864</u>

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

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

Discretely Presented Component Units

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

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

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

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

Brevard County Housing Finance Authority - The Housing Finance Authority was created pursuant to Chapter 159, Part V, Florida Statutes, and County Ordinance 79-09, for the specific purpose of alleviating a shortage of housing and capital for investment in housing in Brevard County. The members of the Housing Finance Authority 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



BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

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.

Related Organizations

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

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.

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

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

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

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

The following are reported as major governmental funds:

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

**Emergency Services Special Revenue Fund** - The Emergency Services Special Revenue Fund is used to account for an ad valorem tax levy of up to 2.2035 mills for the provision of fire protection services in accordance with Ordinance 99-50, impact fees, ambulance charges, and a county-wide non-ad valorem assessment for the provision of emergency medical services.

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

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

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

The following are reported as major enterprise funds:

**Solid Waste Management Department Enterprise Fund** - The Solid Waste Management Department Enterprise Fund is used to account for disposal fees and expenses associated with the

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

provision of solid waste disposal within Brevard County pursuant to Chapter 67-1146, Special Acts of Florida.

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

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

The County also reports the following funds:

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

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

D. Budget

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

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

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

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

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

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

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

BREVARD COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

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

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

Supplemental and amended budgets totaling \$160,852,045 were enacted during the fiscal year primarily to authorize appropriation of proceeds from the issuance of debt, grant revenues, and unbudgeted cash balances.

E. Interfund Receivables and Payables

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

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

F. Capital Assets

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

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

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

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

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

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

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

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G. Unbilled Service Revenues

Approximately 95% of the Water Resources Department's revenue is billed and collected by cities as agents for the County. Cash collected by the cities is remitted monthly to the County. The County records all revenues billed by the cities through the end of the fiscal year. Unbilled revenue, which results from cycle billing practices of the cities, is recorded in the following fiscal year.

H. Restricted Assets

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

I. Inventory and Prepaid Items

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

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

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

J. Investments

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

K. Deferred Income

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

L. Accrued Compensated Absences

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

M. Property Taxes

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

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

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

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

O. Reserves of Fund Balances and Net Assets

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

P. Use of Estimates

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

Q. Cash and Cash Equivalents

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

2. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$320,526,974 difference are as follows:

Bonds payable	\$278,864,512
Less: Deferred charge on refunding (to be amortized as interest expense)	(4,488,591)
Less: Discount (to be amortized as interest expense)	(333,262)
Plus: Issuance premium (to be amortized as interest expense)	2,911,555
Accrued interest payable	2,502,320
Leases payable	676,065
Notes payable	15,268,000
Accrued compensated absences	<u>25,126,375</u>

Net adjustment to reduce *fund balance - total governmental funds*  
to arrive at *net assets - governmental activities*

\$320,526,974

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that, "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense." The details of this \$63,240,739 difference are as follows:

Capital outlay	\$ 81,774,298
Depreciation expense	<u>(18,533,559)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 63,240,739</u>

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Another element of the reconciliation states that, "The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets." The details of this \$750,946 difference are as follows:

In the statement of activities, only the <i>gain</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.	\$ 439,751
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	<u>(1,190,697)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 750,946</u>

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$30,210,518 difference are as follows:

Debt issued or incurred:	
Issuance of bonds	\$ 48,535,000
Premiums	986,980
Debt issuance costs for bonds issued	(844,280)
Capital leases	210,578
Issuance of notes payable	3,641,000
Yield amortization on capital appreciation bonds	8,784
Principal repayments:	
Bonds	(19,055,201)
Capital lease	(241,343)
Notes payable	<u>\$ (3,031,000)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 30,210,518</u>

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this \$4,890,706 difference are as follows:

Accrued compensated absences	\$ 3,805,708
Accrued interest	204,265
Amortization of deferred charge on refunding	733,469
Amortization of debt issuance costs	454,139
Amortization of bond discounts/premium	<u>(306,875)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 4,890,706</u>

3. Comparison of Expenditures to Appropriations – Expenditures exceeded appropriations in the Tourist Development Tax Revenue Refunding Bonds, Series 2001 Fund by \$1,100 as a result of unbudgeted expenditures related to debt service costs.
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, 2006, was invested utilizing the pooled investment concept. Interest earned was allocated to the various funds based on their average cash balance within the consolidated account. The average monthly interest rates on investments held by the County, in the pooled account, ranged from 3.82% to 5.28%.

Cash with escrow and paying agent of \$1,394,396 is comprised of \$255,921 accounted for in Brevard County Transportation Trust fund for the acquisition of land, \$402,255 accounted for in the Special Revenue Funds for the Brevard County Shore Protection Project and \$736,220 accounted for in the Internal Service Funds as an insurance reserve balance as required by the County's insurance providers

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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 treasury instruments, federal agency obligations, certificates of deposits, repurchase agreements, bankers' acceptance, and commercial paper. The SBA met the criteria to be a "2a-7 like" pool as defined in GASB 31 at September 30, 2006. Therefore the investment balance, as reported, is equal to the value of our pooled shares.

**Custodial Risk**

The carrying amount of the County's demand deposits was \$27,730,015 at September 30, 2006. The demand deposits are insured by the FDIC up to \$100,000 per entity. Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Deposits Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the County pursuant to Section 280.08, Florida Statutes. Corporate notes, U.S. Treasury notes and all federal agency obligations are held by the County's agent in the County's name.

**Credit Risk**

Concentration of credit risk is the risk of loss attributable to a government's investment in a single issuer. To limit concentration of credit risk, the County's policy restricts the amount that is allowed to be invested in any one issuer. Federal Instrumentalities are limited to no more than 25% per issuer. Corporate Notes and Commercial Paper are limited to 5% per issuer. Investments in Federal Home Loan Bank, Federal Home Loan Mortgage Corp, and Federal National Mortgage Assn. represented 7%, 20% and 11% respectively, of the County's total investments.

Credit quality risk results from the potential default of investments that are not financially sound. The County's policy requires that Corporate Notes must have a rating, of at least, in the category "Aa" by Moody's and "AA" by Standard & Poor's. The Corporate Notes currently held in the portfolio have a Standard & Poor's rating of AA-. The credit quality of the federal agency securities held by the County is AAA rated by Standard & Poor's. The SBA - Local Government Surplus Funds Trust Fund was not rated by a nationally recognized rating agency at September 30, 2006.

**Interest Rate Risk**

As a means of limiting exposure to fair value losses arising from rising interest rates, the County investment policy prohibits purchases of securities with final maturities of 10 years or greater. The policy also limits the overall weighted average duration of principal return for the entire portfolio to less than 3 years. The County's current weighted average duration is 0.91 years.

As of September 30, 2006, the County had the following investments and maturities:

	Fair Value	Maturity (Years)			
		Less Than 1	1-2	2-4	Over 4 Years
Corporate Note	\$ 8,574,046	\$ 0	\$ 0	\$ 8,574,046	\$ 0
Federal Farm Credit Bank	12,694,835	0	0	12,694,835	0
Federal Home Loan Bank	34,044,126	18,949,040	11,612,586	3,482,500	0
Federal Home Loan Mortgage Corp.	93,335,395	49,005,049	6,548,366	24,992,183	12,789,797
Federal National Mortgage Assn.	51,588,940	35,438,476	8,945,631	7,204,833	0
Mortgage Back Securities	2,471,465	0	2,471,465	0	0
U.S. Treasury Bonds/Notes	73,752,177	0	52,492,067	21,260,110	0
State Board of Administration	185,011,835	185,011,835	0	0	0
Guaranteed Investment Contract	1,194,500	1,194,500	0	0	0
<b>Total</b>	<b>\$462,667,319</b>	<b>\$289,598,900</b>	<b>\$82,070,115</b>	<b>\$78,208,507</b>	<b>\$12,789,797</b>



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Of the amount invested with the State Board of Administration \$19,044,067 is restricted for the purpose of compliance with Department of Environmental Protection Closure/Long-Term Care Escrow Agreement. These funds are to be used for the sole purpose of closure and long term care of the County's two landfills.

The carrying amount of the discretely presented component units' deposits with financial institutions was \$832,265 and the bank balance was \$857,000, which is insured by FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes. Cash in the amount of \$12,552,945, which represents both book and fair value, is invested with the State Board of Administration.

6. **Receivables** - The accounts receivable for the governmental activities of \$11,800,792 are net of allowances for doubtful accounts of \$5,595,176. Charges for services are net of mandatory contractual adjustments in the amount of \$6,033,075 for Medicare/Medicaid and Champus. Having billed these organizations, we are federally mandated to accept their allowable charges for services rendered. The accounts receivable for the business-type activities of \$1,299,650 are net of allowances for doubtful accounts of \$116,686.

7. **Capital Assets**

Capital assets activity for the year ended September 30, 2006, was as follows:

**Primary Government**

	Oct. 1, 2005	Adjustments	Oct. 1, 2005 as adjusted	Increases	Decreases	Sept. 30, 2006
<b>Governmental Activities:</b>						
Capital assets not depreciated:						
Land	\$123,539,489	\$15,201,473	\$138,740,962	\$17,812,920	\$0	\$156,553,882
Construction in progress	62,053,690	(700,104)	61,353,586	51,753,387	29,051,404	84,055,569
Total assets not depreciated	<u>\$185,593,179</u>	<u>\$14,501,369</u>	<u>\$200,094,548</u>	<u>\$69,566,307</u>	<u>\$29,051,404</u>	<u>\$240,609,451</u>
Capital assets depreciated:						
Buildings and structures	\$145,347,090	\$0	\$145,347,090	\$19,430,206	\$0	\$164,777,296
Infrastructure	32,264,801	49,439,946	81,704,747	2,140,071	0	83,844,818
Improvements to land	12,852,932	0	12,852,932	6,194,209	0	19,047,141
Improvements other than buildings	15,722,803	0	15,722,803	92,970	0	15,815,773
Operating machinery and equipment	113,791,126	0	113,791,126	17,079,490	9,305,729	121,564,887
Total assets depreciated	<u>\$319,978,752</u>	<u>\$49,439,946</u>	<u>\$369,418,698</u>	<u>\$44,936,946</u>	<u>\$9,305,729</u>	<u>\$405,049,915</u>
Less accumulated depreciation:						
Buildings and structures	\$30,754,283	\$525,003	\$31,279,286	\$3,726,692	\$0	\$35,005,978
Infrastructure	1,779,048	22,583,922	24,362,970	2,480,825	0	26,843,795
Improvements to land	3,872,907	203,773	4,076,680	511,162	0	4,587,842
Improvements other than buildings	5,263,086	461,091	5,724,177	1,052,458	0	6,776,635
Operating machinery and equipment	69,960,193	612,345	70,572,538	11,906,197	7,825,907	74,652,828
Total accumulated depreciation	<u>\$111,629,517</u>	<u>\$24,386,134</u>	<u>\$136,015,651</u>	<u>\$19,677,334</u>	<u>\$7,825,907</u>	<u>\$147,867,078</u>
Total depreciable capital assets, net	<u>\$208,349,235</u>	<u>\$25,053,812</u>	<u>\$233,403,047</u>	<u>\$25,259,612</u>	<u>\$1,479,822</u>	<u>\$257,182,837</u>
Total governmental activities capital assets, net	<u>\$393,942,414</u>	<u>\$39,555,181</u>	<u>\$433,497,595</u>	<u>\$94,825,919</u>	<u>\$30,531,226</u>	<u>\$497,792,288</u>

**Business-type Activities:**

	Oct. 1, 2005	Adjustments	Oct. 1, 2005 as adjusted	Increases	Decreases	Sept. 30, 2006
Capital assets not depreciated:						
Land	\$37,720,164	\$271,740	\$37,991,904	\$651,399	\$651,399	\$37,991,904
Construction in progress	12,869,111	0	12,869,111	4,778,165	5,810,847	11,836,429
Total assets not depreciated	<u>\$50,589,275</u>	<u>\$271,740</u>	<u>\$50,861,015</u>	<u>\$5,429,564</u>	<u>\$6,462,246</u>	<u>\$49,828,333</u>
Capital assets depreciated:						
Buildings and structures	\$48,931,166	\$0	\$48,931,166	\$1,545,773	\$19,623	\$50,457,316
Infrastructure	2,416,412	0	2,416,412	4,502,660	0	6,919,072
Improvements to land	15,887,199	0	15,887,199	80,302	0	15,967,501
Improvements other than buildings	221,704,849	0	221,704,849	9,031,485	0	230,736,334
Machinery and equipment	38,924,057	0	38,924,057	4,200,128	2,311,636	40,812,549
Total assets depreciated	<u>\$327,863,683</u>	<u>\$0</u>	<u>\$327,863,683</u>	<u>\$19,360,348</u>	<u>\$2,331,259</u>	<u>\$344,892,772</u>
Less accumulated depreciation:						
Buildings and structures	\$11,614,811	\$5,129	\$11,619,940	\$1,241,296	\$20,002	\$12,841,234
Infrastructure	80,508	0	80,508	83,178	0	163,686
Improvements to land	4,391,851	(313)	4,391,538	426,315	0	4,817,853
Improvements other than buildings	112,396,218	(641,705)	111,754,513	10,349,794	1,575,021	120,529,286
Machinery and equipment	23,662,132	38,658	23,700,790	2,351,974	953,137	25,099,627
Total accumulated depreciation	<u>\$152,145,520</u>	<u>\$(598,231)</u>	<u>\$151,547,289</u>	<u>\$14,452,557</u>	<u>\$2,548,160</u>	<u>\$163,451,686</u>
Total depreciable capital assets, net	<u>\$175,718,163</u>	<u>\$598,231</u>	<u>\$176,316,394</u>	<u>\$4,907,791</u>	<u>\$(216,901)</u>	<u>\$181,441,086</u>
Total business-type activities capital assets, net	<u>\$226,307,438</u>	<u>\$869,971</u>	<u>\$227,177,409</u>	<u>\$10,337,355</u>	<u>\$6,245,345</u>	<u>\$231,269,419</u>

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

**Governmental Activities:**

General government	\$ 3,599,352
Public safety	5,527,087
Physical environment	441,112
Transportation	3,841,013
Economic environment	37,422
Human services	968,250
Culture and recreation	4,119,323
Internal service funds	579,569
Total	<u>\$19,113,128</u>

The increase in accumulated depreciation for governmental activities of \$19,677,334 differs from depreciation expense of \$19,113,128 because of accumulated depreciation in the amount of \$564,206 associated with assets transferred from business-type activities.

**Business-type Activities:**

Solid Waste Management Department	\$ 3,455,182
Water Resources Department	8,247,001
Barefoot Bay Water & Sewer District	796,915
Space Coast Area Transit	1,511,142
Brevard County Golf Courses	442,317
Total	<u>\$14,452,557</u>

**Component Units**

Capital assets activity for component units is as follows:

**Melbourne-Tillman Water Control District**

	Oct. 1, 2005	Increases	Decreases	Sept. 30, 2006
Capital assets not depreciated:				
Land	\$ 277,821	\$ 0	\$ 0	\$ 277,821
Capital assets depreciated:				
Buildings and structures	\$ 373,789	\$ 0	\$ 0	\$ 373,789
Improvements to land	8,229,276	0	0	8,229,276
Machinery and equipment	1,659,926	210,206	0	1,870,132
Total assets depreciated	<u>\$10,262,991</u>	<u>\$ 210,206</u>	<u>\$ 0</u>	<u>\$10,473,197</u>
Less accumulated depreciation:				
Buildings and structures	\$ 180,954	\$ 14,935	\$ 0	\$ 195,889
Improvements to land	5,496,966	409,355	0	5,906,321
Machinery and equipment	1,147,358	237,116	0	1,384,474
Total accumulated depreciation	<u>\$ 6,825,278</u>	<u>\$ 661,406</u>	<u>\$ 0</u>	<u>\$ 7,486,684</u>
Total depreciable capital assets, net	<u>\$ 3,437,713</u>	<u>\$ (451,200)</u>	<u>\$ 0</u>	<u>\$ 2,986,513</u>
Total capital assets, net	<u>\$ 3,715,534</u>	<u>\$ (451,200)</u>	<u>\$ 0</u>	<u>\$ 3,264,334</u>

**Titusville-Cocoa Airport Authority**

	Oct. 1, 2005	Increases	Decreases	Sept. 30, 2006
Capital assets not depreciated:				
Land	\$10,192,738	\$2,046,924	\$ 0	\$12,239,662
Construction in progress	4,837,763	0	1,526,588	3,311,175
Improvements to land	332,254	7,000	0	339,254
Total assets not depreciated	<u>\$15,362,755</u>	<u>\$2,053,924</u>	<u>\$1,526,588</u>	<u>\$15,890,091</u>
Capital assets depreciated:				
Buildings and structures	\$11,007,697	\$1,188,126	\$ 0	\$12,195,823
Improvements other than buildings	20,444,952	863,211	0	21,308,163
Operating machinery and equipment	2,176,338	807,061	0	2,983,399
Total assets depreciated	<u>\$33,628,987</u>	<u>\$2,858,398</u>	<u>\$ 0</u>	<u>\$36,487,385</u>
Less accumulated depreciation:				
Buildings and structures	\$ 5,177,194	\$ 301,934	\$ 0	\$ 5,479,128
Improvements other than buildings	8,567,308	616,113	0	9,183,421
Operating machinery and equipment	1,430,905	195,700	0	1,626,605
Total accumulated depreciation	<u>\$15,175,407</u>	<u>\$1,113,747</u>	<u>\$ 0</u>	<u>\$16,289,154</u>
Total depreciable capital assets, net	<u>\$18,453,580</u>	<u>\$1,744,651</u>	<u>\$ 0</u>	<u>\$20,198,231</u>
Total capital assets, net	<u>\$33,816,335</u>	<u>\$3,798,575</u>	<u>\$1,526,588</u>	<u>\$36,088,322</u>

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8. Construction and Other Significant Commitments - At September 30, 2006, the County had several uncompleted construction contracts and other contractual commitments as follows:

<u>Project Title</u>	<u>Remaining committed</u>
General Government	\$ 2,533,240
Environmentally Endangered Lands	1,246,064
Parks and Recreation	16,853,037
Public Safety	468,324
Road projects	1,947,590
Solid Waste Management Department	1,241,247
Space Coast Area Transit	57,743
Surface Water Improvement Division	478,740
Water Resources Department	2,114,087
Total	<u>\$26,940,072</u>

9. Interfund Receivable and Payable Balances at September 30, 2006 - The composition of interfund balances as of September 30, 2006, is as follows:

<u>Receivable Fund:</u>	<u>Payable Fund:</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 169,119
	Barefoot Bay Water & Sewer District	50
Emergency Services	General Fund	186,663
Parks & Recreation Facilities	Nonmajor Governmental Funds	200,000
Nonmajor Governmental Funds	General Fund	482,757
	Nonmajor Governmental Funds	430,000
Solid Waste Management Department	General Fund	42,130
Water Resources Department	General Fund	84,263
	Barefoot Bay Water & Sewer District	65,953
	Nonmajor Proprietary Funds	377,000
Internal Service	Nonmajor Governmental Funds	133,334
Total Interfund Receivables and Payables		<u>\$2,171,269</u>

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

10. Advances To and From Other Funds - The General Fund advance from other funds represents a loan from the Solid Waste Management (\$517,692), Water Resources (\$1,035,416) and Surface Water Improvement (\$517,498) funds to fund construction of an administrative office building, \$2,070,606 of the balance is not scheduled to be paid in the subsequent year. The Grants fund advance from other funds represents a loan from the General Fund (\$170,000) to pay costs of the Metropolitan Planning Organization to be reimbursed by Federal grants. The Mosquito Control District fund advance from other funds represents a loan from Risk Management (\$266,666) to pay costs of wetland improvements. Barefoot Bay Water & Sewer District advance from other funds includes a loan from Water Resources Department (\$1,200,150) for the acquisition and interconnection cost of the Snug Harbor Utility System.

11. Committed Funds - The County executed an agreement to accept the donation of land and public safety facilities in return for reimbursing funds to the developer generated from impact fees. The impact fees are assessed on development within the jurisdiction to accommodate the demand for new public facilities. Although not obligated, the County reasonably expects to continue assessing the impact fees. Total cost for the public safety facilities was \$1,124,555. The anticipated future payments are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2007	\$136,000
2008	136,000
After 2008	<u>14,313</u>
Total anticipated future payments	<u>\$286,313</u>

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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, 2006, the estimated costs of closure and postclosure care for the landfill increased by \$2,305,570. The following information is for the year ending September 30, 2006:

	<u>Landfill capacity</u>	<u>Landfill capacity used</u>	<u>Reported liability</u>	<u>Estimated remaining liability</u>	<u>Remaining life (years)</u>
Sarno Road	6,456,791 cu/yds	81%	\$8,024,145	\$1,919,073	3
Central Disposal	24,857,627 cu/yds	74%	\$8,997,908	\$7,687,019	6

By state law, the County is required to accumulate assets needed for the actual payout of the closure and postclosure care costs prior to the closing of a landfill. Assets of \$19,044,067 have been restricted for this purpose within the Solid Waste Management Department Fund.

13. Leases

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

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

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

Total minimum lease payments receivable	\$628,370 (1)
Less amount representing interest	<u>68,370</u>
Net minimum lease payments receivable	<u>\$560,000 (2)</u>

- (1) The total minimum lease payments receivable does not include the effect of future interest earnings of the bond's sinking and reserve funds maintained by the County. The earnings serve to reduce the amount of the lease payments required to be made by Circles of Care, Inc.
- (2) The net minimum lease payments receivable of \$560,000 has been recorded in the Debt Service Fund as capital lease receivable and is not considered currently available for debt service. This receivable has been offset by an equal amount recorded as deferred revenue.

The following is a schedule, by years, of future minimum lease payments due from Circles of Care, Inc., as of September 30, 2006:

<u>Year Ended September 30</u>	<u>Amount</u>
2007	\$159,123
2008	156,470
2009	158,277
2010	<u>154,500</u>
Total	<u>\$628,370</u>

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- B. The County has entered into numerous capital lease arrangements for the purpose of lease purchasing operating and office equipment. The County also has financed the acquisition of certain golf carts for its Brevard County Golf Courses Fund by means of a lease. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments. The future minimum lease payments at September 30, 2006, are as follows:

<u>Year Ended September 30</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2007	\$290,119	\$144,667
2008	249,666	144,667
2009	192,618	125,700
2010	0	48,935
Total minimum lease payments	\$732,403	\$463,969
Less amount representing interest	<u>56,338</u>	<u>33,252</u>
Present value of minimum lease payments	<u>\$676,065</u>	<u>\$430,717</u>

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Machinery and equipment	<u>\$997,408</u>	<u>\$576,823</u>
Accumulated depreciation	<u>\$ 95,769</u>	<u>\$ 69,152</u>

- C. The County leases office facilities, 911 software, equipment, service and maintenance, office equipment, and vehicles, under noncancelable operating leases and operating leases. Total costs for noncancelable operating leases and operating leases were \$2,600,350, and \$1,196,963, respectively, for the year ended September 30, 2006. The future minimum lease payments for noncancelable leases are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2007	\$1,858,383
2008	491,020
2009	348,101
2010	191,651
2011	150,166
2012-2016	<u>424,496</u>
Total minimum lease payable	<u>\$3,463,817</u>

Component Units

- A. The Melbourne - Tillman Water Control District leased equipment with lease terms through October 2007. Obligations under the capital lease have been recorded in the accompanying financial statements at the present value of the future minimum lease payments. The total capitalized cost and accumulated depreciation of \$87,894 and \$60,061, respectively, is included in property, plant, and equipment.

The future minimum lease payments under the capital leases and the net present value of the future minimum lease payments are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2007	\$29,955
2008	<u>14,977</u>
Total future minimum lease payments	\$44,932
Less amount representing interest	<u>3,003</u>
Present value of future minimum lease payments	<u>\$41,929</u>

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- B. The Melbourne - Tillman Water Control District leases various equipment under noncancelable operating leases expiring in 2007 and 2008.

Minimum future rental payments under the operating lease as of September 30, 2006, for each of the next two years and in the aggregate are:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2007	\$29,134
2008	<u>11,538</u>
Total	<u>\$40,672</u>

14. Bonded and Other Indebtedness

A. Business-type Activities

\$11,945,000 1997 Solid Waste Management System Revenue Refunding Bonds – outstanding balance due April 1, 2007; interest at 4.20% to 4.30%; issued to finance the cost of refunding 1987 Solid Waste Disposal System Revenue Bonds; payable from gross revenues of the system. \$ 1,725,000

\$9,960,000 2002 Solid Waste Management System Revenue Refunding Bonds - due in annual installments of \$810,000 to \$2,890,000 through April 1, 2010; interest at 2.70% to 3.80%; issued to finance cost of refunding 1993 Solid Waste Management System Revenue Bonds; payable from gross revenues of the system. 7,635,000

\$55,155,000 2002 Utility Revenue Refunding Bonds – due in annual installments of \$5,280,000 to \$7,545,000 through March 1, 2014; interest at 5.00% to 5.25%; issued to finance the cost of refunding the Utility Revenue Bonds, Series 1993; payable from gross revenues of the Water Resources System. 50,795,000

\$4,880,000 1999 Guaranteed Entitlement Revenue Refunding Bonds - due in annual installments of \$240,000 to \$390,000 through June 1, 2018; interest at 4.00% to 4.875%; issued to refund the outstanding 1991 Special Obligation Refunding Revenue Bonds and pay the cost of certain capital improvements within the County; revenue pledged is the guaranteed entitlement portion of the state revenue sharing trust funds and a portion of the second guaranteed entitlement state shared revenues. 3,710,000

\$17,135,000 2000 Utility Bonds (Barefoot Bay Utility System) – serial bonds due in annual installments of \$355,000 to \$435,000 through October 1, 2011; interest at 4.00% to 4.50%; term bonds maturing October 1, 2018, are subject to mandatory redemption in amounts of \$455,000 to \$615,000 from October 1, 2012, to October 1, 2018, with interest at 5.25%; term bonds maturing October 1, 2029, are subject to mandatory redemption in amounts of \$650,000 to \$1,055,000 from October 1, 2019, to October 1, 2029, with interest at 5.00%; issued to finance the acquisition of a utility system and certain other property; payable from gross revenues of the system. 15,270,000

B. Governmental Activities

\$10,670,000 1996 Limited Ad Valorem Revenue Refunding and Improvement Bonds - due in annual installments of \$1,040,000 to \$1,250,000 through September 1, 2011; interest at 5.00% to 5.375%; issued to partially refund the 1991 Limited Ad Valorem Revenue Bonds and to acquire and preserve endangered lands; payable from ad valorem tax revenues. 5,700,000

\$8,840,000 2002 Limited Ad Valorem Tax Refunding Bonds – due in annual installments of \$1,060,000 to \$1,245,000 through September 1, 2011; interest at 3.00% to 4.10%; issued to refund all or a portion of the outstanding 1993 Limited Ad Valorem Tax Bonds maturing after September 1, 2003; payable from ad valorem tax revenues. 5,745,000

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\$15,670,000 2004 Limited Ad Valorem Tax Bonds – due in annual installments of \$2,405,000 to \$2,700,000 through September 1, 2011; interest at 2.50% to 3.00%; issued to fund the acquisition and improvement of environmentally endangered lands; payable from ad valorem tax revenues.	12,730,000
\$45,000,000 2005 Limited Ad Valorem Tax Bonds – due in annual installments of \$1,750,000 to \$3,315,000 through September 1, 2024, interest at 3.00% to 5.00% issued to fund the acquisition and improvement of environmentally endangered lands and water areas; payable from ad valorem tax revenues.	43,300,000
\$15,100,000 2001 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds – serial bonds due in annual installments of \$595,000 to \$1,040,000 through July 1, 2019; interest at 4.25% to 5.00%; term bonds maturing July 1, 2021 are subject to mandatory redemption in the amounts of \$1,090,000 to \$1,145,000 from July 1, 2020 to final maturity; interest at 5.00%; issued to finance the acquisition, development, and improvement of certain parks and recreational facilities within the geographical boundary of North Brevard; payable from ad valorem tax revenues.	12,520,000
\$45,000,000 2001 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - due in annual installments of \$1,800,000 to \$3,370,000 through July 1, 2021; 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.	37,130,000
\$13,000,000 2001 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds – serial bonds due in annual installments of \$520,000 to \$885,000 through July 1, 2019; interest at 4.125% to 5.00%; term bonds maturing July 1, 2021, are subject to mandatory redemption in amounts of \$925,000 to \$975,000 from July 1, 2020, to final maturity; interest at 5.00%; issued to finance the acquisition, development, and improvement of certain parks and recreational facilities within the Merritt Island Recreation Municipal Service Taxing Unit; payable from ad valorem tax revenues.	10,730,000
\$1,700,000 1994A Brevard County Mental Health Facilities Refunding Revenue Bonds - due in annual installments of \$130,000 to \$150,000 through January 1, 2010; interest at 5.75% to 6.00%; issued to finance the cost of refunding all outstanding Brevard County Mental Health Facilities Revenue Bonds, Series 1980; payable from the revenues of the lease between the County and Circles of Care, Inc. The lease payments are derived from fees and charges for services.	560,000
\$4,865,000 1996 Second Guaranteed Entitlement Revenue Bonds – due in annual installments of \$240,000 to \$375,000 through November 1, 2015; interest at 5.00% to 5.50%; issued to finance the acquisition and construction of recreational facilities in the Port St. John/Canaveral Groves Municipal Service Taxing Unit within the County; revenue pledged is second guaranteed entitlement portion of the state revenue sharing trust funds; however, debt service is to be paid from ad valorem tax revenues.	3,010,000
\$20,105,000 1997 Sales Tax Refunding Revenue Bonds - due in annual installments of \$90,000 to \$1,975,000 through December 1, 2011; interest of 4.40% to 4.75%; issued to purchase the formerly leased Brevard County Government Center by defeasing the 1989 Certificate of Participation; payable from the half-cent sales tax distributed to the County.	9,135,000
\$39,150,000 2001 Sales Tax Refunding and Improvement Revenue Bonds – serial bonds due in annual installments of \$935,000 to \$2,785,000 through December 1, 2018; interest at 3.50% to 5.25%; term bonds maturing December 1, 2020, through December 1, 2026, are subject to mandatory redemption in varying amounts from December 1, 2019, to December 1, 2026, with interest at 4.875% to 5.00%; issued to refund the outstanding Sales Tax Refunding Revenue Bonds, Series 1991, maturing on and after December 1, 2002, refund the outstanding Sales Tax	

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Revenue Bonds, Series 1994, maturing on and after December 1, 2005, refund certain portions of the County's outstanding obligations under a Loan Agreement with the Florida Local Government Finance Commission, and finance the acquisition of certain capital projects within the County; revenue pledged is half-cent sales tax revenue; \$4,245,488 of the outstanding principal and any associated interest will be paid from revenues from the operation of the County's golf courses.	31,510,000
\$16,370,000 2003 Sales Tax Refunding and Improvement Revenue Bonds – serial bonds due in annual installments of \$1,335,000 to \$1,565,000 through December 1, 2013; interest rate 2.00% to 4.10%; term bonds maturing December 1, 2014, and thereafter are due in installments of \$215,000 to \$305,000; interest rate 4.10% to 4.75%; bonds maturing on December 1, 2013, and thereafter are subject to mandatory early redemption; issued to advance refund the outstanding Sales Tax Revenue Bonds, Series 1993 maturing on and after December 1, 2004; to repay a portion of the outstanding Florida Local Government Finance Commission Pooled Commercial Paper Notes, and to finance various capital projects of the County; payable from the half-cent sales tax distributed to the County.	13,980,000
\$14,000,000 2005 Sales Tax Revenue Bonds – serial bonds due in annual installments of \$300,000 to \$1,005,000 through December 1, 2023; interest at 3.00% to 4.25%; term bonds maturing on December 1, 2025, are subject to mandatory redemption prior to maturity in the amounts of \$1,045,000 and \$1,090,000 from December 1, 2024, to December 1, 2005, with interest at 4.25%; issued to finance the cost of certain capital projects within the County; payable from the half-cent sales tax distributed to the County.	14,000,000
\$7,070,000 2001 Fourth Cent Tourist Development Tax Revenue Refunding Bonds - serial bonds due in annual installments of \$585,000 to \$745,000 through March 1, 2013, interest at 3.80% to 4.50%; issued to refund the Fourth Cent Tourist Development Tax Revenue Bonds, Series 1993; payable from tourist tax revenues.	4,610,000
\$39,735,000 2000 Constitutional Fuel Tax Revenue Bonds – serial bonds due in annual installments of \$1,545,000 to \$1,790,000 through August 1, 2010; interest at 4.90% to 6.00%; issued to finance the cost of acquiring and constructing certain road and bridge improvements; payable from constitutional fuel tax revenues.	6,665,000
\$25,525,000 2005 Constitutional Fuel Tax Revenue Refunding Bonds – due in annual installments of \$115,000 to \$2,990,000 through August 1, 2020; interest at 3.00% to 5.00%; issued to advance refund the outstanding Constitutional Fuel Tax Revenue Bonds, Series 2000 maturing on and after August 1, 2011; payable from constitutional fuel tax revenue.	25,415,000
\$48,535,000 2005 Local Option Fuel Tax Revenue Bonds – due in annual installments of \$1,525,000 to \$3,450,000 through August 1, 2026; interest at 3.25% to 5.00%; issued to finance the cost of certain transportation projects within the County; payable from local option fuel tax revenues.	46,370,000
\$23,073,000 Commercial Paper - issued as part of the Florida Local Government Finance Commission Pooled Commercial Paper Notes program; outstanding balance due at various dates; interest, which is variable was 4.19% on September 30, 2006; this variable rate is based on the underlying commercial paper that is purchased, during the fiscal year the interest rate ranged from 3.30% to 4.19%; issued to fund construction of T-hangars at the Valkaria Airport, construction of special assessment projects and a fire station, finance renovations and modifications to existing County property, finance the dredging of certain channels and canals, acquisition of computer equipment, replacement of fuel storage tanks, purchase new election system, finance or refinance the cost of the acquisition and construction of certain beach renourishment capital improvements, purchase various capital equipment, and finance the acquisition of capital upgrade and replace the County's telecommunication system; payable from the County's general revenues, transportation receipts, and prior lien upon certain special assessments.	15,268,000



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\$280,000 Commercial Paper - issued as part of the Florida Local Government Finance Commission Pooled Commercial Paper Notes program; outstanding balance due December 5, 2006; interest, which is variable, was 4.19% on September 30, 2006; this variable rate is based on the underlying commercial paper that is purchased, during the fiscal year the interest rate ranged from 3.30% to 4.19%; issued to provide partial funding for the purchase of the County's new financial system hardware; payable from the internal service revenues of Information Systems.

112,000

C. Component Units

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

2,068,210

\$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.

95,695

D. Summary of Bonded and Other Indebtedness

The long-term liability activity for the year ended September 30, 2006, was as follows:

	Oct. 1, 2005	Increase	Decrease	Sept. 30, 2006	Due within one year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$136,715,000	\$ 0	\$ 8,860,000	\$127,855,000	\$9,170,000
Revenue bonds	112,660,929	48,543,784	10,195,201	151,009,512	9,108,850
Less deferred amounts:					
Discounts	396,019	0	62,757	333,262	
Premiums	(2,294,207)	(986,980)	(369,632)	(2,911,555)	
Refunding	5,222,060	0	733,469	4,488,591	
Total bonds payable	<u>\$246,052,057</u>	<u>\$ 49,530,764</u>	<u>\$18,628,607</u>	<u>\$276,954,214</u>	
Capital lease commitments	706,830	210,578	241,343	676,065	260,339
Notes payable	14,826,000	4,163,000	3,609,000	15,380,000	1,423,000
Accrued compensated absences	21,588,531	5,655,083	1,746,233	25,497,381	1,685,800
Claims and judgments	<u>12,111,356</u>	<u>10,437,895</u>	<u>10,438,558</u>	<u>12,110,693</u>	<u>7,971,395</u>
Governmental activities long-term liabilities	<u>\$295,284,774</u>	<u>\$ 69,997,320</u>	<u>\$34,663,741</u>	<u>\$330,618,353</u>	
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds	\$ 91,605,287	\$ 0	\$ 8,224,799	\$ 83,380,488	8,881,150
Less deferred amounts:					
Discounts	141,077	0	27,032	114,045	
Premiums	(3,449,766)	0	(719,983)	(2,729,783)	
Refunding	2,083,653	0	515,182	1,568,471	
Total bonds payable	<u>\$ 92,830,323</u>	<u>\$ 0</u>	<u>\$ 8,402,568</u>	<u>\$ 84,427,755</u>	
Capital lease commitments	440,098	104,977	114,358	430,717	127,901
Landfill closure and postclosure care	14,716,483	2,305,570	0	17,022,053	
Accrued compensated absences	<u>1,648,882</u>	<u>431,450</u>	<u>143,647</u>	<u>1,936,685</u>	<u>134,185</u>
Business-type activities long-term liabilities	<u>\$109,635,786</u>	<u>\$ 2,841,997</u>	<u>\$ 8,660,573</u>	<u>\$103,817,210</u>	
<b>Component units:</b>					
Capital lease commitments	\$ 70,071	\$ 0	\$ 28,142	\$ 41,929	28,649
Notes payable	2,300,390	0	136,485	2,163,905	142,459
Accrued compensated absences	<u>176,884</u>	<u>40,015</u>	<u>0</u>	<u>216,899</u>	<u>216,899</u>
Component units long-term liabilities	<u>\$ 2,547,345</u>	<u>\$ 40,015</u>	<u>\$ 164,627</u>	<u>\$ 2,422,733</u>	

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

**E. Total Annual Debt Service Requirements**

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

The annual requirements to amortize all debt outstanding at September 30, 2006, are as follows:

Governmental activities						
Year Ending September 30	General Obligation Bonds		Revenue Bonds		Notes and Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ 9,170,000	\$ 5,440,855	\$ 9,108,850	\$ 6,501,867	\$ 1,683,339	\$ 633,631
2008	9,490,000	5,123,043	9,750,454	6,137,699	3,008,807	515,118
2009	9,820,000	4,784,383	10,129,103	5,749,939	884,919	459,007
2010	10,200,000	4,406,806	10,557,181	5,322,927	6,323,000	223,530
2011	10,590,000	4,020,543	10,650,380	4,884,883	4,156,000	32,892
2012-2016	30,625,000	15,443,572	42,765,131	18,215,041	0	0
2017-2021	38,415,000	7,649,874	32,943,413	9,920,213	0	0
2022-2026	9,545,000	822,585	24,395,000	3,486,060	0	0
thereafter	0	0	710,000	17,750	0	0
Total	<u>\$127,855,000</u>	<u>\$47,691,661</u>	<u>\$151,009,512</u>	<u>\$60,236,379</u>	<u>\$16,056,065</u>	<u>\$1,864,178</u>

Business-type activities					Component Units	
Year Ending September 30	Revenue Bonds		Leases		Notes and Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ 8,881,150	\$ 3,953,288	\$127,901	\$16,766	\$ 171,108	\$ 91,284
2008	9,429,546	3,536,219	133,777	10,890	161,953	85,461
2009	9,875,897	3,099,166	120,849	4,851	155,161	77,276
2010	8,497,819	2,632,399	48,190	745	161,933	70,504
2011	7,514,620	2,210,456	0	0	169,005	63,432
2012-2016	27,184,869	5,490,920	0	0	962,488	199,697
2017-2021	4,121,587	2,452,589	0	0	424,186	18,302
2022-2026	3,950,000	1,494,250	0	0	0	0
thereafter	3,925,000	404,625	0	0	0	0
Total	<u>\$83,380,488</u>	<u>\$25,273,912</u>	<u>\$430,717</u>	<u>\$33,252</u>	<u>\$2,205,834</u>	<u>\$605,956</u>

**15. Current and Advance Refunding of Debt**

- A. During the fiscal year ended September 30, 1978, the County completed a full cash advance refunding of all outstanding Water Resources Utility Revenue Bonds, Series 1973, Series 1973A, and Series 1975, to effect an overall reduction in debt service and to revise certain terms and covenants made under the outstanding bonds. The advance refunding was financed from the issuance of \$11,665,000 Refunding Revenue Bonds, Series 1978, and the simultaneous issuance of \$17,725,000 Special Obligation Bonds, Series 1978A. The net proceeds from the bonds were deposited in an irrevocable escrow account and invested in federal securities at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded 1973, 1973A, and 1975 bonds were defeased, and the County's obligation on the refunded debt was satisfied. The Special Obligation Bonds, Series 1978A, which are not presented in the accompanying balance sheet, are secured by, and payable from, the federal securities and interest income earned on the federal securities held in escrow and do not constitute an obligation of the County. Total outstanding principal of the Series 1973 and Series 1973A bonds at September 30, 2006, were \$2,525,000 and \$1,035,000, respectively. Total outstanding principal of the Series 1978A bonds was \$830,000. The Series 1975 bonds were fully retired during fiscal year 2006.
- B. During the fiscal year ended September 30, 1984, the County completed a net cash advance refunding of all outstanding Solid Waste Disposal System Refunding Revenue Bonds, Series 1977 and the Solid Waste Disposal System Capital Improvement Note, Series 1984 to effect an overall reduction in debt service and to revise certain terms and bond covenants made under the 1977

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bonds. The advance refunding was financed from the issuance of the Solid Waste Disposal System Refunding Revenue Bonds, Series 1984. The net proceeds from the bonds were placed in an irrevocable escrow account and invested in federal securities sufficient for payment of principal and interest due on the refunded 1977 bonds and the 1984 Capital Improvement Note. As a result, the respective liens of the refunded 1977 bonds and the 1984 Capital Improvement Note were defeased, and the County's obligation on the refunded debt was satisfied. Total outstanding principal of the Series 1977 bonds at September 30, 2006, was \$3,780,000. The Capital Improvement Note, Series 1984, was fully retired during fiscal year 1988.

- C. During the fiscal year ended September 30, 1985, the County completed a net cash advance refunding of outstanding Water Resources Utility Revenue Bonds, Series 1978 and Series 1983, to effect an overall reduction in debt service and to revise certain terms and covenants made under the outstanding bonds. The advance refunding was financed from the issuance of \$17,295,000 Refunding Subordinate Revenue Bonds, Series 1984, refunded by Subordinate Utility Revenue Bonds, Series 1988. The net proceeds from the bonds were deposited in an irrevocable escrow account and invested in federal securities at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded 1978 and 1983 bonds were defeased, and the County's obligation on the refunded debt was satisfied. Total outstanding principal of the Series 1978 and the Series 1983 bonds at September 30, 2006, was \$6,365,000 and \$5,765,000, respectively.
- D. During fiscal year ended September 30, 2005, the County completed a net cash advance refunding of all outstanding Constitutional Fuel Tax Revenue Bonds, Series 2000 maturing on or after August 1, 2011, to the effect on an overall reduction in debt service. The advance refunding was financed from the issuance of \$25,525,000 Constitutional Fuel Tax Refunding Bonds, Series 2005. The net proceeds were deposited into an irrevocable escrow account and invested at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded bonds were defeased and the County's obligation on the refunded debt was satisfied. Total outstanding principal of the Series 2000 bonds at September 30, 2006, was \$24,150,000.
16. Bond Coverage - The County is required by bond resolutions to fix, establish, and maintain such user rates that will always provide sufficient revenue for debt service, operations and maintenance, and all other reserve requirements pertinent to the bond issues within the affected Enterprise Funds. Where the bond resolutions provide for more than one bond coverage test, the covenants shown are the most restrictive.

The following tabulation indicates the degree of compliance with the bond resolution covenants in the Solid Waste Management Department and the Water Resources Department at September 30, 2006. These coverage tests compare debt coverage required with revenue available after covering operating and maintenance expenses.

	<u>Solid Waste Management Department</u>	<u>Water Resources Department</u>
Gross revenues available for compliance	\$28,683,367	\$25,009,459
Operating and maintenance expense (excluding depreciation expense)	<u>22,292,652</u>	<u>15,586,661</u> (1)
Amount of revenue over operating and maintenance expense	<u>\$ 6,390,715</u>	<u>\$ 9,422,798</u>
Debt coverage required	<u>\$ 3,341,723</u>	<u>\$ 7,801,537</u>
Percent coverage for the year ended September 30, 2006	<u>191%</u>	<u>121%</u>

- (1) Operating and maintenance expense excludes payment in lieu of taxes, and renewal and replacement expenses of \$930,571 and \$566,036, respectively.

17. Intergovernmental Component Units Assistance Programs

Florida Department of Transportation Reimbursable Grants - Capital projects at the Space Center Executive Airport are generally funded by a combination of grants from the Federal Aviation Administration (FAA), the Florida Department of Transportation (FDOT), and funds provided by the Titusville - Cocoa Airport Authority (Authority). The FDOT generally may fund up to 50% of eligible project costs which are not funded by the FAA,

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

18. Condensed Financial Statements - Discretely Presented Component Units

A. Statement of Net Assets

	North Brevard County Public Library District	Merritt Island Redevelopment Agency	Titusville- Cocoa Airport Authority
Assets:			
Other assets	\$19,169	\$2,624,311	\$ 3,169,883
Capital assets, net of accumulated depreciation	<u>0</u>	<u>0</u>	<u>36,088,322</u>
Total assets	<u>\$19,169</u>	<u>\$2,624,311</u>	<u>\$39,258,205</u>
Liabilities:			
Other current liabilities	\$ 0	\$ 10,372	\$ 896,600
Long-term liabilities	<u>0</u>	<u>0</u>	<u>2,090,642</u>
Total liabilities	<u>\$ 0</u>	<u>\$ 10,372</u>	<u>\$ 2,987,242</u>
Net assets:			
Invested in capital assets net of related debt	\$ 0	\$ 0	\$33,855,220
Unrestricted	<u>19,169</u>	<u>2,613,939</u>	<u>2,415,743</u>
Total net assets	<u>\$19,169</u>	<u>\$2,613,939</u>	<u>\$36,270,963</u>

	Melbourne- Tillman Water Control District	Housing Finance Authority	Total
Assets:			
Other assets	\$ 8,158,088	\$2,961,718	\$16,933,169
Capital assets, net of accumulated depreciation	<u>3,264,334</u>	<u>0</u>	<u>39,352,656</u>
Total assets	<u>\$11,422,422</u>	<u>\$2,961,718</u>	<u>\$56,285,825</u>
Liabilities:			
Other current liabilities	\$ 179,420	\$ 208,743	\$ 1,295,135
Long-term liabilities	<u>13,280</u>	<u>0</u>	<u>2,103,922</u>
Total liabilities	<u>\$ 192,700</u>	<u>\$ 208,743</u>	<u>\$ 3,399,057</u>
Net assets:			
Invested in capital assets net of related debt	\$ 3,222,405	\$ 0	\$37,077,625
Unrestricted	<u>8,007,317</u>	<u>2,752,975</u>	<u>15,809,143</u>
Total net assets	<u>\$11,229,722</u>	<u>\$2,752,975</u>	<u>\$52,886,768</u>

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B. Statement of Activities

	North Brevard County Public Library District	Merritt Island Redevelopment Agency	Titusville- Cocoa Airport Authority
Expenses:			
Total expenses	\$ 935	\$ 343,973	\$ 2,643,606
Program revenues:			
Charges for services	\$ 5,434	\$ 0	\$ 1,770,940
Capital grants and contributions	0	0	3,160,653
Total program revenues	\$ 5,434	\$ 0	\$ 4,931,593
Net program revenues	\$ 4,499	\$ (343,973)	\$ 2,287,987
General revenues:			
Taxes	\$ 0	\$1,304,964	\$ 198,375
Other general revenues	0	87,940	135,402
Total general revenues	\$ 0	\$1,392,904	\$ 333,777
Change in net assets	\$ 4,499	\$1,048,931	\$ 2,621,764
Beginning net assets	14,670	1,565,008	33,649,199
Ending net assets	\$19,169	\$2,613,939	\$36,270,963

	Melbourne- Tillman Water Control District	Housing Finance Authority	Total
Expenses:			
Total expenses	\$ 2,403,854	\$ 142,718	\$ 5,535,086
Program revenues:			
Charges for services	\$ 1,587,942	\$ 211,544	\$ 3,575,860
Capital grants and contributions	0	0	3,160,653
Total program revenues	\$ 1,587,942	\$ 211,544	\$ 6,736,513
Net program revenues	\$ (815,912)	\$ 68,826	\$ 1,201,427
General revenues:			
Taxes	\$ 0	\$ 0	\$ 1,503,339
Other general revenues	397,692	123,534	744,568
Total general revenues	\$ 397,692	\$ 123,534	\$ 2,247,907
Change in net assets	\$ (418,220)	\$ 192,360	\$ 3,449,334
Beginning net assets	11,647,942	2,560,615	49,437,434
Ending net assets	\$11,229,722	\$2,752,975	\$52,886,768

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, coverage is provided up to a maximum of \$300,000 for each worker's compensation claim, and \$100,000 for each general liability claim. For all risk property, coverage is provided up to a maximum of \$100,000 per occurrence, all perils except 5% TIV for flood and weather

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catastrophe and \$500,000 per occurrence to a maximum of \$1,000,000 for damages arising from a hurricane or tropical storm. The County purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss including employee's medical, dental, vision, and life insurance. Settled claims have not exceeded this commercial coverage in any of the past three years.

All County departments participate in the program 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 \$12,110,693 in the Risk Management Fund, reported at September 30, 2006, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. Changes in the claims liability amounts in fiscal years 2005 and 2006 were:

	2005	2006
Beginning of fiscal year liability	\$ 12,391,037	\$12,111,356
Current year claims and changes in estimates	7,873,834	10,437,895
Claim payments	<u>(8,153,515)</u>	<u>(10,438,558)</u>
Balance at fiscal year end	<u>\$12,111,356</u>	<u>\$12,110,693</u>
The claims liability at September 30, 2006, has been calculated as follows:		
Present value of estimated outstanding losses (Estimated losses of \$13,736,813, discounted to reflect future investment earnings at 2%)		\$12,658,742
Unallocated loss adjustment expenses (Calculated at 7.5% of outstanding losses)		949,407
Estimated recoveries on settled claims		<u>(1,497,456)</u>
Claims liability at September 30, 2006		<u>\$12,110,693</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, 2006, were:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Emergency Services	\$ 455,440
	Brevard County Transportation Trust	4,555,651
	Parks and Recreation Facilities	579,000
	Nonmajor Governmental Funds	22,356,418
	Solid Waste Management Department	92,133
	Nonmajor Proprietary Funds	2,562,389
Emergency Services	General Fund	1,266,870
	Nonmajor Governmental Funds	1,382,449
	Brevard County Transportation Trust	11,596
Brevard County Transportation Trust	General Fund	923,031
	Nonmajor Governmental Funds	13,557
Nonmajor Governmental Funds	General Fund	3,963,692
	Brevard County Transportation Trust	300,323
	Emergency Services	18,860
	Parks and Recreation Facilities	1,828,390
	Nonmajor Governmental Funds	3,666,286
Solid Waste Management Department	General Fund	510,093
Water Resources Department	General Fund	19,000
Nonmajor Proprietary Funds	General Fund	<u>107,620</u>
Total Transfers		<u>\$44,612,798</u>

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

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

The retirement plan is funded by employer contributions at a rate of 7.83% through June 2006, and changed to a rate of 9.85% effective July 2006, of the gross pay for regular employees; 18.53% through June 2006 (20.92% effective July 2006) for special-risk employees, which include law enforcement officers, correctional officers, and firefighters; and 15.23% through June 2006 (16.53% effective July 2006) for elected officials. The County's contributions for the years ending September 30, 2006, 2005, and 2004, were \$20,025,531, \$17,109,447, and \$17,256,543 respectively, equals to the required contributions for each year. Contributions for the year ending September 30, 2006, represented 11.94% 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.

22. 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.
23. Contingent Liabilities - There are a number of pending lawsuits in which the County is involved. Although the outcome is not readily determinable, resolution of these matters is not expected to have an adverse effect on the financial condition of the County.
24. Subsequent Events - On October 31, 2006, the County authorized issuing \$2,600,000 from the Florida Local Government Finance Commission's tax exempt commercial paper program to finance the acquisition and construction of the Sharpes Community Center and Park.

On December 5, 2006, the County issued \$738,000 from the Florida Local Government Finance Commission's tax exempt commercial paper program. The instrument was issued to refinance a portion of a previous loan to finance the cost of T Hangars, the purchase of a helicopter, and certain improvements within the Woodland Waterline MSBU.

On December 5, 2006, the County issued \$110,000 from the Florida Local Government Finance Commission's tax exempt commercial paper program. The instrument was issued to refinance a portion of a previous loan to fund information system upgrades.

On December 12, 2006, the County authorized issuing \$1,091,000 from the Florida Local Government Finance Commission's tax exempt commercial paper program to finance the acquisition of a computer aided dispatch system for the Sheriff's Department.

On January 23, 2007, the County authorized issuing \$15,000,000 from the Florida Local Government Finance Commission's tax exempt commercial paper program to finance a beach renourishment project.

On February 6, 2007, the County issued \$11,300,000 North Brevard Recreation Special District Limited Ad Valorem Tax Bonds, Series 2007. The proceeds of the bonds are to be used for the completion of North Brevard Parks and Recreation referendum projects.

On February 6, 2007, the County issued \$13,110,000 Limited Ad Valorem Tax Bonds Merritt Island Recreation Municipal Service Taxing Unit (MSTU), Series 2007. The proceeds of the bonds are to be used for the completion of Merritt Island Recreation MSTU Parks and Recreation referendum projects.

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On February 6, 2007, the County issued \$57,565,000 South Brevard Recreation Special District Limited Ad Valorem Tax Bonds, Series 2007. The proceeds of the bonds are to be used for the completion of South Brevard Parks and Recreation referendum projects.

25. Combining of Funds – For financial reporting purposes, the Housing and Urban Development Grants fund and Temporary Assistance to Needy Families fund previously reported as individual special revenue funds are now being reported within the Grants special revenue fund.
26. Prior Period Adjustment – Beginning net assets in the governmental type activities on the Statement of Activities have been restated in the amount of \$39,555,181 and corresponding adjustments to beginning balances of capital assets, including depreciation have been made. Beginning net assets in the business type activities on the Statement of Activities and Enterprise funds on the Statement of Revenues, Expenses and Changes in Net Assets have been restated in the amount of \$869,971; corresponding adjustments to beginning balances of capital assets, including depreciation, have been made. The adjustments are summarized as follows:

Pursuant to the transition provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, the County has reported major general infrastructure assets that were acquired in fiscal years 1980 through 2000. The effect on governmental activities was \$10,023,384.

During an upgrade of the accounting system in fiscal year 2006, errors made in calculating depreciation for capital assets were corrected. The effect on governmental activities was (\$1,949,186). The effect on business-type activities (and Enterprise funds) is as follows:

Solid Waste Management Department	\$ (98,579)
Water Resources Department	656,867
Barefoot Bay Water & Sewer District	54,375
Space Coast Area Transit	(14,432)
Total	<u>\$ 598,231</u>

During fiscal year 2006, errors made in reporting governmental capital assets were corrected as a result of a comprehensive inventory of capital assets. The effect on governmental and business-type activities (Water Resources Department) was \$31,480,983 and \$271,740, respectively.

27. Post Employment Healthcare Plan – Brevard County provides Pre-65 and Post-65 healthcare coverage to eligible retirees and their eligible dependants. Florida Statutes require local governments to offer the same health and hospitalization insurance coverage to retirees and eligible dependants as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. Employees hired prior to January 1, 2006 are eligible to receive 100% of the earned percentage of benefits for their lifetime upon attainment age 62 and completion of six years of service, or 30 years of service, if earlier. Employees hired on or after January 1, 2006 are eligible to receive a graduated earned percentage of benefits upon retirement, based on years of service.

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

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

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



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

The County has currently elected to contribute only the \$2.7 million pay-as-you-go financing requirements to the plan. The remaining \$11.8 million represents the net OPEB obligation, bringing the total estimated annual required contribution to \$14.5 million. If the actuarial assumptions, the employer/employee contribution rates and the County's policy of funding only the pay-as-you-go requirements to the plan continue into fiscal year 2007, the liability to be recorded at September 30, 2007 will be approximately \$11.8 million. The actual reporting of the obligation in the financial statements will begin in fiscal year 2007.

## Nonmajor Governmental Funds

### Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **Debt Service Funds**

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

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

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

Capital Improvement Refunding Revenue Bonds, Series 1987 - to refund Improvement Bonds, Series I, which were issued to finance the acquisition of land and construction of certain roads, drainage, and utility improvements for the development of the Spaceport Florida Industrial Park and the acquisition and construction of certain rights-of-way, roads, water distribution, sewage, drainage, and related improvements within various municipal service benefit units in Brevard County.

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

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

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

### **Capital Projects Funds**

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

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

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

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COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
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	<i>Special Revenue</i>	
	<i>Recreation District IV Operating</i>	<i>Brevard County Free Public Library District</i>
<b>ASSETS</b>		
Cash	\$ 1,578,300	\$ 5,506,422
Cash with escrow and paying agent	0	0
Receivables (net of allowance for uncollectibles):		
Accounts	733	33,165
Assessments, current	0	0
Accrued interest	5,867	30,170
Due from other funds	9,869	105,679
Due from other governmental units	648	5,098
Inventory of supplies	11,740	0
Advances to other funds	0	0
Assessments receivable, deferred	0	0
Capital lease receivable	0	0
Total assets	<u>\$ 1,607,157</u>	<u>\$ 5,680,534</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Vouchers and contracts payable	\$ 135,312	\$ 232,405
Accrued wages and benefits payable	39,646	164,034
Due to other funds	0	0
Due to other governmental units	264	6,186
Advances from other funds	0	0
Deferred revenue	0	0
Total liabilities	<u>\$ 175,222</u>	<u>\$ 402,625</u>
Fund balances:		
Reserved for:		
Debt service	\$ 0	\$ 0
Inventory	11,740	0
Unreserved, reported in:		
Debt Service funds	0	0
Special Revenue funds	1,420,195	5,277,909
Capital Project funds	0	0
Total fund balances	<u>\$ 1,431,935</u>	<u>\$ 5,277,909</u>
Total liabilities and fund balances	<u>\$ 1,607,157</u>	<u>\$ 5,680,534</u>

<i>Brevard County Mosquito Control District</i>	<i>Special Road And Bridge Districts</i>	<i>Miscellaneous Fines</i>	<i>Recreation District I M.S.T.U.</i>	<i>Special Law Enforcement District</i>
\$ 3,142,166 0	\$ 6,722,030 0	\$ 6,960,229 0	\$ 1,274,326 0	\$ 2,743,713 0
0	0	432	3,537	0
0	0	0	0	0
15,620	37,959	28,300	6,453	10,205
36,508	31,303	0	13,121	78,687
86,825	144,682	0	45,382	164,594
552,268	196,005	0	34,433	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ 3,833,387</u>	<u>\$ 7,131,979</u>	<u>\$ 6,988,961</u>	<u>\$ 1,377,252</u>	<u>\$ 2,997,199</u>
\$ 291,650	\$ 374,568	\$ 746,521	\$ 227,939	\$ 79,235
48,207	1,442	8,145	49,597	262,702
133,334	0	59,113	0	21,939
0	1,338	0	435	158,481
266,666	0	0	0	0
77,788	142,840	246,698	39,098	0
<u>\$ 817,645</u>	<u>\$ 520,188</u>	<u>\$ 1,060,477</u>	<u>\$ 317,069</u>	<u>\$ 522,357</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
552,268	196,005	0	34,433	0
0	0	0	0	0
2,463,474	6,415,786	5,928,484	1,025,750	2,474,842
0	0	0	0	0
<u>\$ 3,015,742</u>	<u>\$ 6,611,791</u>	<u>\$ 5,928,484</u>	<u>\$ 1,060,183</u>	<u>\$ 2,474,842</u>
<u>\$ 3,833,387</u>	<u>\$ 7,131,979</u>	<u>\$ 6,988,961</u>	<u>\$ 1,377,252</u>	<u>\$ 2,997,199</u>

BREVARD COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<i>Special Revenue</i>	
	<i>Tourist Development Tax</i>	<i>Surface Water Improvement Division</i>
<b>ASSETS</b>		
Cash	\$ 11,059,154	\$ 7,302,743
Cash with escrow and paying agent	402,255	0
Receivables (net of allowance for uncollectibles):		
Accounts	5,092	44,000
Assessments, current	0	0
Accrued interest	59,680	45,114
Due from other funds	0	42,114
Due from other governmental units	1,194,860	306,663
Inventory of supplies	11,489	0
Advances to other funds	0	517,498
Assessments receivable, deferred	0	0
Capital lease receivable	0	0
Total assets	<u>\$ 12,732,530</u>	<u>\$ 8,258,132</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Vouchers and contracts payable	\$ 826,629	\$ 33,057
Accrued wages and benefits payable	7,137	12,893
Due to other funds	0	0
Due to other governmental units	24,992	0
Advances from other funds	0	0
Deferred revenue	399,124	0
Total liabilities	<u>\$ 1,257,882</u>	<u>\$ 45,950</u>
<b>Fund balances:</b>		
Reserved for:		
Debt service	\$ 0	\$ 0
Inventory	11,489	0
Unreserved, reported in:		
Debt Service funds	0	0
Special Revenue funds	11,463,159	8,212,182
Capital Project funds	0	0
Total fund balances	<u>\$ 11,474,648</u>	<u>\$ 8,212,182</u>
Total liabilities and fund balances	<u>\$ 12,732,530</u>	<u>\$ 8,258,132</u>

<i>State Housing Initiative Partnership</i>	<i>Hurricane Housing Recovery Program</i>	<i>Brevard County Building Code Compliance</i>	<i>Education Impact Fees</i>	<i>Environmentally Endangered Land Program</i>
\$ 4,706,421 0	\$ 2,959,189 0	\$ 2,184,532 0	\$ 12,707,015 0	\$ 1,176,993 0
11,897 0	1,017 0	688 0	8,892 0	416 0
28,533	16,670	12,828	71,625	7,566
430,000	0	0	0	0
0	0	0	0	481
0	0	0	0	13,164
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$ 5,176,851</u>	<u>\$ 2,976,876</u>	<u>\$ 2,198,048</u>	<u>\$ 12,787,532</u>	<u>\$ 1,198,620</u>
\$ 37,462 8,965 0 0 0 0	\$ 36,954 0 0 0 0 0	\$ 259,285 44,360 0 7,514 0 0	\$ 877,685 0 0 0 0 0	\$ 36,501 4,059 0 0 0 0
<u>\$ 46,427</u>	<u>\$ 36,954</u>	<u>\$ 311,159</u>	<u>\$ 877,685</u>	<u>\$ 40,560</u>
\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 13,164
0 5,130,424 0	0 2,939,922 0	0 1,886,889 0	0 11,909,847 0	0 1,144,896 0
<u>\$ 5,130,424</u>	<u>\$ 2,939,922</u>	<u>\$ 1,886,889</u>	<u>\$ 11,909,847</u>	<u>\$ 1,158,060</u>
<u>\$ 5,176,851</u>	<u>\$ 2,976,876</u>	<u>\$ 2,198,048</u>	<u>\$ 12,787,532</u>	<u>\$ 1,198,620</u>



BREVARD COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<i>Special Revenue</i>	
	<i>Grants</i>	<i>Records Modernization Trust</i>
<b>ASSETS</b>		
Cash	\$ 32,197	\$ 6,010,981
Cash with escrow and paying agent	0	0
Receivables (net of allowance for uncollectibles):		
Accounts	53,693	0
Assessments, current	0	0
Accrued interest	2,226	0
Due from other funds	0	0
Due from other governmental units	2,368,368	0
Inventory of supplies	0	0
Advances to other funds	0	0
Assessments receivable, deferred	0	0
Capital lease receivable	0	0
<b>Total assets</b>	<b>\$ 2,456,484</b>	<b>\$ 6,010,981</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Vouchers and contracts payable	\$ 1,079,320	\$ 68,349
Accrued wages and benefits payable	6,248	20,599
Due to other funds	718,067	0
Due to other governmental units	2,334	0
Advances from other funds	170,000	0
Deferred revenue	171,379	0
<b>Total liabilities</b>	<b>\$ 2,147,348</b>	<b>\$ 88,948</b>
<b>Fund balances:</b>		
<b>Reserved for:</b>		
Debt service	\$ 0	\$ 0
Inventory	0	0
<b>Unreserved, reported in:</b>		
Debt Service funds	0	0
Special Revenue funds	309,136	5,922,033
Capital Project funds	0	0
<b>Total fund balances</b>	<b>\$ 309,136</b>	<b>\$ 5,922,033</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,456,484</b>	<b>\$ 6,010,981</b>

*Debt Service*

<i>Mental Health Facilities Refunding Revenue Bonds, Series 1994A</i>	<i>Tourist Development Tax Revenue Refunding Bonds, Series 2001</i>	<i>Sales Tax Revenue Bonds</i>	<i>Capital Improvement Refunding Revenue Bonds, Series 1987</i>	<i>Commercial Paper Note</i>
\$ 465,037 0	\$ 1,199,848 0	\$ 25,528 0	\$ 0 0	\$ 93,930 0
0	0	0	0	0
0	0	0	0	45,665
2,580	6,657	142	0	10,774
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	259,231
560,000	0	0	0	0
<u>\$ 1,027,617</u>	<u>\$ 1,206,505</u>	<u>\$ 25,670</u>	<u>\$ 0</u>	<u>\$ 409,600</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	15,195
0	0	0	0	0
560,000	0	0	0	259,231
<u>\$ 560,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 274,426</u>
\$ 170,000 0	\$ 707,000 0	\$ 0 0	\$ 0 0	\$ 0 0
297,617	499,505	25,670	0	135,174
0	0	0	0	0
0	0	0	0	0
<u>\$ 467,617</u>	<u>\$ 1,206,505</u>	<u>\$ 25,670</u>	<u>\$ 0</u>	<u>\$ 135,174</u>
<u>\$ 1,027,617</u>	<u>\$ 1,206,505</u>	<u>\$ 25,670</u>	<u>\$ 0</u>	<u>\$ 409,600</u>

BREVARD COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<i>Debt Service</i>	
	<i>Limited Ad Valorem Tax Bonds</i>	<i>Second Guaranteed Entitlement Bonds, Series 1996</i>
<b>ASSETS</b>		
Cash	\$ 9,375,002	\$ 385,718
Cash with escrow and paying agent	0	0
Receivables (net of allowance for uncollectibles):		
Accounts	0	0
Assessments, current	0	0
Accrued interest	56,475	2,140
Due from other funds	161,639	3,837
Due from other governmental units	6,723	299
Inventory of supplies	0	0
Advances to other funds	0	0
Assessments receivable, deferred	0	0
Capital lease receivable	0	0
Total assets	<u>\$ 9,599,839</u>	<u>\$ 391,994</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Vouchers and contracts payable	\$ 0	\$ 0
Accrued wages and benefits payable	0	0
Due to other funds	0	0
Due to other governmental units	2,060	33,361
Advances from other funds	0	0
Deferred revenue	0	0
Total liabilities	<u>\$ 2,060</u>	<u>\$ 33,361</u>
Fund balances:		
Reserved for:		
Debt service	\$ 0	\$ 0
Inventory	0	0
Unreserved, reported in:		
Debt Service funds	9,597,779	358,633
Special Revenue funds	0	0
Capital Project funds	0	0
Total fund balances	<u>\$ 9,597,779</u>	<u>\$ 358,633</u>
Total liabilities and fund balances	<u>\$ 9,599,839</u>	<u>\$ 391,994</u>

*Capital Projects*

<i>General Government Facilities</i>	<i>Special Assessment Construction Projects</i>	<i>Countywide Library Projects</i>	<i>Total</i>
\$ 14,444,843 0	\$ 465,480 0	\$ 827,483 0	\$ 103,349,280 402,255
0	0	0	163,562
0	0	0	45,665
80,144	2,522	4,592	544,842
0	0	0	912,757
0	0	0	4,324,623
0	0	0	819,099
0	0	0	517,498
0	0	0	259,231
0	0	0	560,000
<u>\$ 14,524,987</u>	<u>\$ 468,002</u>	<u>\$ 832,075</u>	<u>\$ 111,898,812</u>
\$ 1,609,273 0 0 0 0 0	\$ 0 0 0 0 0 0	\$ 0 0 0 0 0 0	\$ 6,952,145 678,034 932,453 252,160 436,666 1,896,158
<u>\$ 1,609,273</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,147,616</u>
\$ 0 0 0 0 12,915,714	\$ 0 0 0 0 468,002	\$ 0 0 0 0 832,075	\$ 877,000 819,099 10,914,378 73,924,928 14,215,791
<u>\$ 12,915,714</u>	<u>\$ 468,002</u>	<u>\$ 832,075</u>	<u>\$ 100,751,196</u>
<u>\$ 14,524,987</u>	<u>\$ 468,002</u>	<u>\$ 832,075</u>	<u>\$ 111,898,812</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Special Revenue</i>	
	<i>Recreation District IV Operating</i>	<i>Brevard County Free Public Library District</i>
REVENUES		
Taxes	\$ 1,609,714	\$ 17,224,293
Licenses and permits	0	0
Intergovernmental revenues	117,416	4,785
Charges for services	247,408	0
Fines and forfeits	0	662,439
Miscellaneous revenues	206,511	913,778
Total revenues	<u>\$ 2,181,049</u>	<u>\$ 18,805,295</u>
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	0
Physical environment	0	0
Transportation	0	0
Economic environment	0	0
Human services	0	0
Culture and recreation	5,512,388	16,352,262
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	55,000	0
Interest	19,522	0
Total expenditures	<u>\$ 5,586,910</u>	<u>\$ 16,352,262</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,405,861)</u>	<u>\$ 2,453,033</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 3,387,724	\$ 465,847
Transfers out	(62,592)	(2,275,262)
Proceeds of the sale of capital assets	0	275
Insurance proceeds	0	213,691
Capital related debt issued	0	0
Total other financing sources and uses	<u>\$ 3,325,132</u>	<u>\$ (1,595,449)</u>
Net change in fund balances	<u>\$ (80,729)</u>	<u>\$ 857,584</u>
Fund balances - beginning	1,521,316	4,420,325
Increase (decrease) in reserve for inventory of supplies	(8,652)	0
Fund balances - ending	<u><u>\$ 1,431,935</u></u>	<u><u>\$ 5,277,909</u></u>

<i>Brevard County Mosquito Control District</i>	<i>Special Road And Bridge Districts</i>	<i>Miscellaneous Fines</i>	<i>Recreation District I M.S.T.U.</i>	<i>Special Law Enforcement District</i>
\$ 5,948,146	\$ 5,039,735	\$ 0	\$ 2,850,959	\$ 12,807,676
0	0	0	0	0
98,445	0	0	93,257	291,298
0	67,927	5,454,983	272,131	3,703,348
0	0	868,785	0	0
448,206	413,700	1,107,589	286,683	306,825
<u>\$ 6,494,797</u>	<u>\$ 5,521,362</u>	<u>\$ 7,431,357</u>	<u>\$ 3,503,030</u>	<u>\$ 17,109,147</u>
\$ 0	\$ 0	\$ 5,545,866	\$ 0	\$ 0
0	0	2,857,392	0	16,890,501
0	0	0	0	0
0	4,503,819	0	0	0
0	0	0	0	0
5,378,752	0	289,582	0	0
0	0	0	7,405,656	0
0	0	0	0	0
0	0	0	0	0
504,000	176,000	0	30,000	0
62,310	22,231	0	11,420	0
<u>\$ 5,945,062</u>	<u>\$ 4,702,050</u>	<u>\$ 8,692,840</u>	<u>\$ 7,447,076</u>	<u>\$ 16,890,501</u>
\$ 549,735	\$ 819,312	\$ (1,261,483)	\$ (3,944,046)	\$ 218,646
\$ 36,609	\$ 31,409	\$ 2,645,006	\$ 4,691,699	\$ 78,687
(236,341)	(236,820)	(747,711)	(1,030,060)	(506,390)
0	0	0	0	24,364
0	0	0	0	0
0	0	0	0	0
<u>\$ (199,732)</u>	<u>\$ (205,411)</u>	<u>\$ 1,897,295</u>	<u>\$ 3,661,639</u>	<u>\$ (403,339)</u>
\$ 350,003	\$ 613,901	\$ 635,812	\$ (282,407)	\$ (184,693)
2,681,128	6,044,957	5,292,672	1,344,515	2,659,535
(15,389)	(47,067)	0	(1,925)	0
<u>\$ 3,015,742</u>	<u>\$ 6,611,791</u>	<u>\$ 5,928,484</u>	<u>\$ 1,060,183</u>	<u>\$ 2,474,842</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Special Revenue</i>	
	<i>Tourist Development Tax</i>	<i>Surface Water Improvement Division</i>
REVENUES		
Taxes	\$ 8,511,892	\$ 0
Licenses and permits	0	0
Intergovernmental revenues	1,097,113	474,000
Charges for services	0	40,858
Fines and forfeits	0	0
Miscellaneous revenues	499,389	3,616,905
Total revenues	<u>\$ 10,108,394</u>	<u>\$ 4,131,763</u>
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	0
Physical environment	691,974	2,337,230
Transportation	0	0
Economic environment	3,932,060	0
Human services	0	0
Culture and recreation	541,852	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	400,000	0
Interest	137,752	0
Total expenditures	<u>\$ 5,703,638</u>	<u>\$ 2,337,230</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 4,404,756</u>	<u>\$ 1,794,533</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 0	\$ 0
Transfers out	(1,222,446)	(895,130)
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Capital related debt issued	0	0
Total other financing sources and uses	<u>\$ (1,222,446)</u>	<u>\$ (895,130)</u>
Net change in fund balances	\$ 3,182,310	\$ 899,403
Fund balances - beginning	8,293,110	7,312,779
Increase (decrease) in reserve for inventory of supplies	(772)	0
Fund balances - ending	<u>\$ 11,474,648</u>	<u>\$ 8,212,182</u>

<i>State Housing Initiative Partnership</i>	<i>Hurricane Housing Recovery Program</i>	<i>Brevard County Building Code Compliance</i>	<i>Education Impact Fees</i>	<i>Environmentally Endangered Land Program</i>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,147,950
0	0	4,282,019	0	0
2,827,649	5,348,188	0	0	0
0	0	41,703	0	2,496
0	0	0	0	0
231,213	59,368	265,007	23,182,593	60,790
<u>\$ 3,058,862</u>	<u>\$ 5,407,556</u>	<u>\$ 4,588,729</u>	<u>\$ 23,182,593</u>	<u>\$ 3,211,236</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	4,741,915	0	0
0	0	0	0	2,080,237
0	0	0	0	0
1,262,247	2,467,634	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	19,496,288	0
0	0	0	0	0
0	0	0	0	0
0	0	6,497	0	0
<u>\$ 1,262,247</u>	<u>\$ 2,467,634</u>	<u>\$ 4,748,412</u>	<u>\$ 19,496,288</u>	<u>\$ 2,080,237</u>
<u>\$ 1,796,615</u>	<u>\$ 2,939,922</u>	<u>\$ (159,683)</u>	<u>\$ 3,686,305</u>	<u>\$ 1,130,999</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	(43,575)	(204,263)	0
0	0	0	0	0
0	0	0	0	0
0	0	865,000	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 821,425</u>	<u>\$ (204,263)</u>	<u>\$ 0</u>
\$ 1,796,615	\$ 2,939,922	\$ 661,742	\$ 3,482,042	\$ 1,130,999
3,333,809	0	1,225,147	8,427,805	25,999
0	0	0	0	1,062
<u>\$ 5,130,424</u>	<u>\$ 2,939,922</u>	<u>\$ 1,886,889</u>	<u>\$ 11,909,847</u>	<u>\$ 1,158,060</u>



BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Special Revenue</i>	
	<i>Grants</i>	<i>Records Modernization Trust</i>
REVENUES		
Taxes	\$ 0	\$ 0
Licenses and permits	0	0
Intergovernmental revenues	11,370,473	0
Charges for services	0	2,776,814
Fines and forfeits	0	0
Miscellaneous revenues	106,922	164,002
Total revenues	<u>\$ 11,477,395</u>	<u>\$ 2,940,816</u>
EXPENDITURES		
Current:		
General government	\$ 203,181	\$ 675,168
Public safety	1,252,002	0
Physical environment	630,443	0
Transportation	838,639	0
Economic environment	5,012,348	0
Human services	2,628,764	0
Culture and recreation	1,150,402	0
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	<u>\$ 11,715,779</u>	<u>\$ 675,168</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (238,384)</u>	<u>\$ 2,265,648</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 742,441	\$ 0
Transfers out	(365,459)	0
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Capital related debt issued	0	0
Total other financing sources and uses	<u>\$ 376,982</u>	<u>\$ 0</u>
Net change in fund balances	<u>\$ 138,598</u>	<u>\$ 2,265,648</u>
Fund balances - beginning	170,538	3,656,385
Increase (decrease) in reserve for inventory of supplies	0	0
Fund balances - ending	<u><u>\$ 309,136</u></u>	<u><u>\$ 5,922,033</u></u>

*Debt Service*

<i>Mental Health Facilities Refunding Revenue Bonds, Series 1994A</i>	<i>Tourist Development Tax Revenue Refunding Bonds, Series 2001</i>	<i>Sales Tax Revenue Bonds</i>	<i>Capital Improvement Refunding Revenue Bonds, Series 1987</i>	<i>Commercial Paper Note</i>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
190,078	44,814	1,233	0	108,396
<u>\$ 190,078</u>	<u>\$ 44,814</u>	<u>\$ 1,233</u>	<u>\$ 0</u>	<u>\$ 108,396</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
125,000	560,000	5,315,201	220,000	416,000
36,360	205,325	2,798,200	0	130,869
<u>\$ 161,360</u>	<u>\$ 765,325</u>	<u>\$ 8,113,401</u>	<u>\$ 220,000</u>	<u>\$ 546,869</u>
<u>\$ 28,718</u>	<u>\$ (720,511)</u>	<u>\$ (8,112,168)</u>	<u>\$ (220,000)</u>	<u>\$ (438,473)</u>
\$ 0	\$ 777,128	\$ 8,280,595	\$ 220,000	\$ 424,012
0	0	(182,772)	0	(7,084)
0	0	0	0	0
0	0	0	0	0
0	0	0	0	19,650
<u>\$ 0</u>	<u>\$ 777,128</u>	<u>\$ 8,097,823</u>	<u>\$ 220,000</u>	<u>\$ 436,578</u>
\$ 28,718	\$ 56,617	\$ (14,345)	\$ 0	\$ (1,895)
438,899	1,149,888	40,015	0	137,069
0	0	0	0	0
<u>\$ 467,617</u>	<u>\$ 1,206,505</u>	<u>\$ 25,670</u>	<u>\$ 0</u>	<u>\$ 135,174</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Debt Service</i>	
	<i>Limited Ad Valorem Tax Bonds</i>	<i>Second Guaranteed Entitlement Bonds, Series 1996</i>
REVENUES		
Taxes	\$ 16,088,839	\$ 611,694
Licenses and permits	0	0
Intergovernmental revenues	0	0
Charges for services	0	0
Fines and forfeits	0	0
Miscellaneous revenues	870,913	7,331
Total revenues	\$ 16,959,752	\$ 619,025
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	8,860,000	225,000
Interest	5,759,378	165,938
Total expenditures	\$ 14,619,378	\$ 390,938
Excess (deficiency) of revenues over (under) expenditures	\$ 2,340,374	\$ 228,087
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 162,094	\$ 3,849
Transfers out	(1,695,116)	(24,127)
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Capital related debt issued	0	0
Total other financing sources and uses	\$ (1,533,022)	\$ (20,278)
Net change in fund balances	\$ 807,352	\$ 207,809
Fund balances - beginning	8,790,427	150,824
Increase (decrease) in reserve for inventory of supplies	0	0
Fund balances - ending	\$ 9,597,779	\$ 358,633

*Capital Projects*

<i>General Government Facilities</i>	<i>Special Assessment Construction Projects</i>	<i>Countywide Library Projects</i>	<i>Total</i>
\$ 0	\$ 0	\$ 0	\$ 73,840,898
0	0	0	4,282,019
0	0	0	21,722,624
19,812	0	0	12,627,480
0	0	0	1,531,224
668,565	14,280	37,335	33,812,426
<u>\$ 688,377</u>	<u>\$ 14,280</u>	<u>\$ 37,335</u>	<u>\$ 147,816,671</u>
\$ 0	\$ 0	\$ 0	\$ 6,424,215
0	0	0	25,741,810
0	0	0	5,739,884
0	0	0	5,342,458
0	0	0	12,674,289
0	0	0	8,297,098
0	0	0	30,962,560
0	0	0	19,496,288
9,375,751	48,484	22,629	9,446,864
0	0	0	16,886,201
0	0	0	9,355,802
<u>\$ 9,375,751</u>	<u>\$ 48,484</u>	<u>\$ 22,629</u>	<u>\$ 150,367,469</u>
<u>\$ (8,687,374)</u>	<u>\$ (34,204)</u>	<u>\$ 14,706</u>	<u>\$ (2,550,798)</u>
\$ 5,471,610	\$ 0	\$ 0	\$ 27,418,710
(18,860)	(23,543)	0	(9,777,551)
0	0	0	24,639
0	0	0	213,691
0	502,350	0	1,387,000
<u>\$ 5,452,750</u>	<u>\$ 478,807</u>	<u>\$ 0</u>	<u>\$ 19,266,489</u>
\$ (3,234,624)	\$ 444,603	\$ 14,706	\$ 16,715,691
16,150,338	23,399	817,369	84,108,248
0	0	0	(72,743)
<u>\$ 12,915,714</u>	<u>\$ 468,002</u>	<u>\$ 832,075</u>	<u>\$ 100,751,196</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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 1,695,198	\$ 1,609,714	\$ (85,484)
Intergovernmental revenues	61,530	117,416	55,886
Charges for services	292,369	247,408	(44,961)
Miscellaneous revenues	90,221	206,511	116,290
Total revenues	<u>\$ 2,139,318</u>	<u>\$ 2,181,049</u>	<u>\$ 41,731</u>
EXPENDITURES			
Current:			
Culture and recreation	\$ 6,775,742	\$ 5,512,388	\$ 1,263,354
Debt service:			
Principal	60,134	55,000	5,134
Interest	21,866	19,522	2,344
Total expenditures	<u>\$ 6,857,742</u>	<u>\$ 5,586,910</u>	<u>\$ 1,270,832</u>
Deficiency of revenues under expenditures	<u>\$ (4,718,424)</u>	<u>\$ (3,405,861)</u>	<u>\$ 1,312,563</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 3,377,824	\$ 3,387,724	\$ 9,900
Transfers out	<u>(63,911)</u>	<u>(62,592)</u>	<u>1,319</u>
Total other financing sources and uses	<u>\$ 3,313,913</u>	<u>\$ 3,325,132</u>	<u>\$ 11,219</u>
Net change in fund balances	\$ (1,404,511)	\$ (80,729)	\$ 1,323,782
Fund balances - beginning	1,521,316	1,521,316	0
Decrease in reserve for inventory of supplies	<u>0</u>	<u>(8,652)</u>	<u>(8,652)</u>
Fund balances - ending	<u>\$ 116,805</u>	<u>\$ 1,431,935</u>	<u>\$ 1,315,130</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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 18,154,738	\$ 17,224,293	\$ (930,445)
Intergovernmental revenues	40,897	4,785	(36,112)
Fines and forfeits	597,700	662,439	64,739
Miscellaneous revenues	656,847	913,778	256,931
Total revenues	\$ 19,450,182	\$ 18,805,295	\$ (644,887)
EXPENDITURES			
Current:			
Culture and recreation	\$ 19,582,648	\$ 16,352,262	\$ 3,230,386
Excess (deficiency) of revenues over (under) expenditures	\$ (132,466)	\$ 2,453,033	\$ 2,585,499
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 424,818	\$ 465,847	\$ 41,029
Transfers out	(2,276,289)	(2,275,262)	1,027
Proceeds of the sale of capital assets	0	275	275
Insurance proceeds	0	213,691	213,691
Total other financing sources and uses	\$ (1,851,471)	\$ (1,595,449)	\$ 256,022
Net change in fund balances	\$ (1,983,937)	\$ 857,584	\$ 2,841,521
Fund balances - beginning	4,420,325	4,420,325	0
Fund balances - ending	\$ 2,436,388	\$ 5,277,909	\$ 2,841,521

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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 6,221,903	\$ 5,948,146	\$ (273,757)
Intergovernmental revenues	141,627	98,445	(43,182)
Miscellaneous revenues	266,254	448,206	181,952
Total revenues	<u>\$ 6,629,784</u>	<u>\$ 6,494,797</u>	<u>\$ (134,987)</u>
EXPENDITURES			
Current:			
Human services	\$ 7,958,263	\$ 5,378,752	\$ 2,579,511
Debt service:			
Principal	504,000	504,000	0
Interest	67,952	62,310	5,642
Total expenditures	<u>\$ 8,530,215</u>	<u>\$ 5,945,062</u>	<u>\$ 2,585,153</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,900,431)</u>	<u>\$ 549,735</u>	<u>\$ 2,450,166</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 36,609	\$ 36,609
Transfers out	(309,250)	(236,341)	72,909
Capital related debt issued	400,000	0	(400,000)
Total other financing sources and uses	<u>\$ 90,750</u>	<u>\$ (199,732)</u>	<u>\$ (290,482)</u>
Net change in fund balances	\$ (1,809,681)	\$ 350,003	\$ 2,159,684
Fund balances - beginning	2,681,128	2,681,128	0
Decrease in reserve for inventory of supplies	<u>0</u>	<u>(15,389)</u>	<u>(15,389)</u>
Fund balances - ending	<u>\$ 871,447</u>	<u>\$ 3,015,742</u>	<u>\$ 2,144,295</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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 5,017,189	\$ 5,039,735	\$ 22,546
Intergovernmental revenues	169,166	0	(169,166)
Charges for services	74,185	67,927	(6,258)
Miscellaneous revenues	118,328	413,700	295,372
Total revenues	<u>\$ 5,378,868</u>	<u>\$ 5,521,362</u>	<u>\$ 142,494</u>
EXPENDITURES			
Current:			
Transportation	\$ 9,685,364	\$ 4,503,819	\$ 5,181,545
Debt service:			
Principal	141,911	176,000	(34,089)
Interest	90,693	22,231	68,462
Total expenditures	<u>\$ 9,917,968</u>	<u>\$ 4,702,050</u>	<u>\$ 5,215,918</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (4,539,100)</u>	<u>\$ 819,312</u>	<u>\$ 5,358,412</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 12,500	\$ 31,409	\$ 18,909
Transfers out	(255,306)	(236,820)	18,486
Total other financing sources and uses	<u>\$ (242,806)</u>	<u>\$ (205,411)</u>	<u>\$ 37,395</u>
Net change in fund balances	\$ (4,781,906)	\$ 613,901	\$ 5,395,807
Fund balances - beginning	6,044,957	6,044,957	0
Decrease in reserve for inventory of supplies	<u>0</u>	<u>(47,067)</u>	<u>(47,067)</u>
Fund balances - ending	<u><u>\$ 1,263,051</u></u>	<u><u>\$ 6,611,791</u></u>	<u><u>\$ 5,348,740</u></u>



BREVARD COUNTY, FLORIDA

MISCELLANEOUS FINES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 5,007,675	\$ 5,454,983	\$ 447,308
Fines and forfeits	747,966	868,785	120,819
Miscellaneous revenues	676,161	1,107,589	431,428
Total revenues	<u>\$ 6,431,802</u>	<u>\$ 7,431,357</u>	<u>\$ 999,555</u>
EXPENDITURES			
Current:			
General government	\$ 5,848,436	\$ 5,545,866	\$ 302,570
Public safety	2,737,956	2,857,392	(119,436)
Human services	290,000	289,582	418
Total expenditures	<u>\$ 8,876,392</u>	<u>\$ 8,692,840</u>	<u>\$ 183,552</u>
Deficiency of revenues under expenditures	<u>\$ (2,444,590)</u>	<u>\$ (1,261,483)</u>	<u>\$ 1,183,107</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 3,303,586	\$ 2,645,006	\$ (658,580)
Transfers out	(1,028,834)	(747,711)	281,123
Total other financing sources and uses	<u>\$ 2,274,752</u>	<u>\$ 1,897,295</u>	<u>\$ (377,457)</u>
Net change in fund balances	\$ (169,838)	\$ 635,812	\$ 805,650
Fund balances - beginning	5,292,672	5,292,672	0
Fund balances - ending	<u>\$ 5,122,834</u>	<u>\$ 5,928,484</u>	<u>\$ 805,650</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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 2,997,932	\$ 2,850,959	\$ (146,973)
Intergovernmental revenues	1,073,959	93,257	(980,702)
Charges for services	876,994	272,131	(604,863)
Miscellaneous revenues	178,975	286,683	107,708
Total revenues	<u>\$ 5,127,860</u>	<u>\$ 3,503,030</u>	<u>\$ (1,624,830)</u>
EXPENDITURES			
Current:			
Culture and recreation	\$ 9,542,963	\$ 7,405,656	\$ 2,137,307
Debt service:			
Principal	30,000	30,000	0
Interest	15,500	11,420	4,080
Total expenditures	<u>\$ 9,588,463</u>	<u>\$ 7,447,076</u>	<u>\$ 2,141,387</u>
Deficiency of revenues under expenditures	<u>\$ (4,460,603)</u>	<u>\$ (3,944,046)</u>	<u>\$ 516,557</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 4,678,534	\$ 4,691,699	\$ 13,165
Transfers out	(1,038,716)	(1,030,060)	8,656
Total other financing sources and uses	<u>\$ 3,639,818</u>	<u>\$ 3,661,639</u>	<u>\$ 21,821</u>
Net change in fund balances	<u>\$ (820,785)</u>	<u>\$ (282,407)</u>	<u>\$ 538,378</u>
Fund balances - beginning	1,344,515	1,344,515	0
Decrease in reserve for inventory of supplies	0	(1,925)	(1,925)
Fund balances - ending	<u><u>\$ 523,730</u></u>	<u><u>\$ 1,060,183</u></u>	<u><u>\$ 536,453</u></u>

BREVARD COUNTY, FLORIDA  
SPECIAL LAW ENFORCEMENT DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 13,347,842	\$ 12,807,676	\$ (540,166)
Intergovernmental revenues	244,921	291,298	46,377
Charges for services	4,074,373	3,703,348	(371,025)
Miscellaneous revenues	13,474	306,825	293,351
Total revenues	<u>\$ 17,680,610</u>	<u>\$ 17,109,147</u>	<u>\$ (571,463)</u>
EXPENDITURES			
Current:			
Public safety	<u>\$ 15,560,935</u>	<u>\$ 16,890,501</u>	<u>\$ (1,329,566)</u>
Excess of revenues over expenditures	<u>\$ 2,119,675</u>	<u>\$ 218,646</u>	<u>\$ (1,901,029)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 78,687	\$ 78,687
Transfers out	(2,246,411)	(506,390)	1,740,021
Sale of capital assets	5,000	24,364	19,364
Total other financing sources and uses	<u>\$ (2,241,411)</u>	<u>\$ (403,339)</u>	<u>\$ 1,838,072</u>
Net change in fund balances	\$ (121,736)	\$ (184,693)	\$ (62,957)
Fund balances - beginning	<u>2,659,535</u>	<u>2,659,535</u>	<u>0</u>
Fund balances - ending	<u>\$ 2,537,799</u>	<u>\$ 2,474,842</u>	<u>\$ (62,957)</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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 7,512,932	\$ 8,511,892	\$ 998,960
Intergovernmental revenues	0	1,097,113	1,097,113
Miscellaneous revenues	497,900	499,389	1,489
Total revenues	<u>\$ 8,010,832</u>	<u>\$ 10,108,394</u>	<u>\$ 2,097,562</u>
EXPENDITURES			
Current:			
Physical environment	\$ 2,253,029	\$ 691,974	\$ 1,561,055
Economic environment	6,075,994	3,932,060	2,143,934
Culture and recreation	5,563,443	541,852	5,021,591
Debt service:			
Principal	500,000	400,000	100,000
Interest	118,417	137,752	(19,335)
Total expenditures	<u>\$ 14,510,883</u>	<u>\$ 5,703,638</u>	<u>\$ 8,807,245</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (6,500,051)</u>	<u>\$ 4,404,756</u>	<u>\$ 10,904,807</u>
OTHER FINANCING USES			
Transfers out	<u>\$ (1,465,868)</u>	<u>\$ (1,222,446)</u>	<u>\$ 243,422</u>
Net change in fund balances	\$ (7,965,919)	\$ 3,182,310	\$ 11,148,229
Fund balances - beginning	8,293,110	8,293,110	0
Decrease in reserve for inventory of supplies	0	(772)	(772)
Fund balances - ending	<u>\$ 327,191</u>	<u>\$ 11,474,648</u>	<u>\$ 11,147,457</u>

BREVARD COUNTY, FLORIDA  
SURFACE WATER IMPROVEMENT DIVISION  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 0	\$ 474,000	\$ 474,000
Charges for services	56,650	40,858	(15,792)
Miscellaneous revenues	<u>3,656,241</u>	<u>3,616,905</u>	<u>(39,336)</u>
Total revenues	<u>\$ 3,712,891</u>	<u>\$ 4,131,763</u>	<u>\$ 418,872</u>
EXPENDITURES			
Current:			
Physical environment	<u>\$ 10,761,377</u>	<u>\$ 2,337,230</u>	<u>\$ 8,424,147</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (7,048,486)</u>	<u>\$ 1,794,533</u>	<u>\$ 8,843,019</u>
OTHER FINANCING USES			
Transfers out	<u>\$ (931,682)</u>	<u>\$ (895,130)</u>	<u>\$ 36,552</u>
Net change in fund balances	<u>\$ (7,980,168)</u>	<u>\$ 899,403</u>	<u>\$ 8,879,571</u>
Fund balances - beginning	<u>7,312,779</u>	<u>7,312,779</u>	<u>0</u>
Fund balances - ending	<u><u>\$ (667,389)</u></u>	<u><u>\$ 8,212,182</u></u>	<u><u>\$ 8,879,571</u></u>

BREVARD COUNTY, FLORIDA  
STATE HOUSING INITIATIVE PARTNERSHIP  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 2,925,688	\$ 2,827,649	\$ (98,039)
Miscellaneous revenues	0	231,213	231,213
Total revenues	<u>\$ 2,925,688</u>	<u>\$ 3,058,862</u>	<u>\$ 133,174</u>
EXPENDITURES			
Current:			
Economic environment	<u>\$ 6,134,090</u>	<u>\$ 1,262,247</u>	<u>\$ 4,871,843</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,208,402)</u>	<u>\$ 1,796,615</u>	<u>\$ 5,005,017</u>
Net change in fund balances	\$ (3,208,402)	\$ 1,796,615	\$ 5,005,017
Fund balances - beginning	<u>3,333,809</u>	<u>3,333,809</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 125,407</u></u>	<u><u>\$ 5,130,424</u></u>	<u><u>\$ 5,005,017</u></u>

BREVARD COUNTY, FLORIDA  
HURRICANE HOUSING RECOVERY PROGRAM  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 4,107,089	\$ 5,348,188	\$ 1,241,099
Miscellaneous revenues	<u>0</u>	<u>59,368</u>	<u>59,368</u>
Total revenues	<u>\$ 4,107,089</u>	<u>\$ 5,407,556</u>	<u>\$ 1,300,467</u>
EXPENDITURES			
Current:			
Economic environment	<u>\$ 3,901,735</u>	<u>\$ 2,467,634</u>	<u>\$ 1,434,101</u>
Excess of revenues over expenditures	<u>\$ 205,354</u>	<u>\$ 2,939,922</u>	<u>\$ 2,734,568</u>
Net change in fund balances	\$ 205,354	\$ 2,939,922	\$ 2,734,568
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 205,354</u></u>	<u><u>\$ 2,939,922</u></u>	<u><u>\$ 2,734,568</u></u>

BREVARD COUNTY, FLORIDA  
BREVARD COUNTY BUILDING CODE COMPLIANCE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Licenses and permits	\$ 4,729,000	\$ 4,282,019	\$ (446,981)
Charges for services	45,732	41,703	(4,029)
Miscellaneous revenues	81,000	265,007	184,007
Total revenues	<u>\$ 4,855,732</u>	<u>\$ 4,588,729</u>	<u>\$ (267,003)</u>
EXPENDITURES			
Current:			
Public safety	\$ 5,941,213	\$ 4,741,915	\$ 1,199,298
Debt service:			
Interest	250,000	6,497	243,503
Total expenditures	<u>\$ 6,191,213</u>	<u>\$ 4,748,412</u>	<u>\$ 1,442,801</u>
Deficiency of revenues under expenditures	<u>\$ (1,335,481)</u>	<u>\$ (159,683)</u>	<u>\$ 1,175,798</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers out	\$ (43,575)	\$ (43,575)	\$ 0
Capital related debt issued	1,115,000	865,000	(250,000)
Total other financing sources and uses	<u>\$ 1,071,425</u>	<u>\$ 821,425</u>	<u>\$ (250,000)</u>
Net change in fund balances	\$ (264,056)	\$ 661,742	\$ 925,798
Fund balances - beginning	1,225,147	1,225,147	0
Fund balances - ending	<u><u>\$ 961,091</u></u>	<u><u>\$ 1,886,889</u></u>	<u><u>\$ 925,798</u></u>



BREVARD COUNTY, FLORIDA  
EDUCATION IMPACT FEES

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 27,165,986	\$ 23,182,593	\$ (3,983,393)
EXPENDITURES			
Intergovernmental	\$ 31,134,469	\$ 19,496,288	\$ 11,638,181
Excess (deficiency) of revenues over (under) expenditures	\$ (3,968,483)	\$ 3,686,305	\$ 7,654,788
OTHER FINANCING USES			
Transfers out	\$ (241,502)	\$ (204,263)	\$ 37,239
Net change in fund balances	\$ (4,209,985)	\$ 3,482,042	\$ 7,692,027
Fund balances - beginning	8,427,805	8,427,805	0
Fund balances - ending	\$ 4,217,820	\$ 11,909,847	\$ 7,692,027

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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 3,259,036	\$ 3,147,950	\$ (111,086)
Charges for services	0	2,496	2,496
Miscellaneous revenues	<u>145,000</u>	<u>60,790</u>	<u>(84,210)</u>
Total revenues	<u>\$ 3,404,036</u>	<u>\$ 3,211,236</u>	<u>\$ (192,800)</u>
EXPENDITURES			
Current:			
Physical environment	<u>\$ 3,247,187</u>	<u>\$ 2,080,237</u>	<u>\$ 1,166,950</u>
Excess of revenues over expenditures	<u>\$ 156,849</u>	<u>\$ 1,130,999</u>	<u>\$ 974,150</u>
Net change in fund balances	\$ 156,849	\$ 1,130,999	\$ 974,150
Fund balances - beginning	25,999	25,999	0
Increase in reserve for inventory of supplies	<u>0</u>	<u>1,062</u>	<u>1,062</u>
Fund balances - ending	<u><u>\$ 182,848</u></u>	<u><u>\$ 1,158,060</u></u>	<u><u>\$ 975,212</u></u>

BREVARD COUNTY, FLORIDA

GRANTS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 210,000	\$ 0	\$ (210,000)
Intergovernmental revenues	18,250,560	11,370,473	(6,880,087)
Miscellaneous revenues	88,452	106,922	18,470
Total revenues	<u>\$ 18,549,012</u>	<u>\$ 11,477,395</u>	<u>\$ (7,071,617)</u>
EXPENDITURES			
Current:			
General government	\$ 408,281	\$ 203,181	\$ 205,100
Public safety	2,436,573	1,252,002	1,184,571
Physical environment	1,966,195	630,443	1,335,752
Transportation	1,413,740	838,639	575,101
Economic environment	8,637,705	5,012,348	3,625,357
Human services	3,010,935	2,628,764	382,171
Culture and recreation	1,139,904	1,150,402	(10,498)
Total expenditures	<u>\$ 19,013,333</u>	<u>\$ 11,715,779</u>	<u>\$ 7,297,554</u>
Deficiency of revenues under expenditures	<u>\$ (464,321)</u>	<u>\$ (238,384)</u>	<u>\$ 225,937</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 874,157	\$ 742,441	\$ (131,716)
Transfers out	(365,459)	(365,459)	0
Total other financing sources and uses	<u>\$ 508,698</u>	<u>\$ 376,982</u>	<u>\$ (131,716)</u>
Net change in fund balances	<u>\$ 44,377</u>	<u>\$ 138,598</u>	<u>\$ 94,221</u>
Fund balances - beginning	<u>170,538</u>	<u>170,538</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 214,915</u></u>	<u><u>\$ 309,136</u></u>	<u><u>\$ 94,221</u></u>

BREVARD COUNTY, FLORIDA  
RECORDS MODERNIZATION TRUST  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 1,668,369	\$ 2,776,814	\$ 1,108,445
Miscellaneous revenues	<u>2,500</u>	<u>164,002</u>	<u>161,502</u>
Total revenues	<u>\$ 1,670,869</u>	<u>\$ 2,940,816</u>	<u>\$ 1,269,947</u>
EXPENDITURES			
Current:			
General government	<u>\$ 2,570,975</u>	<u>\$ 675,168</u>	<u>\$ 1,895,807</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (900,106)</u>	<u>\$ 2,265,648</u>	<u>\$ 3,165,754</u>
Net change in fund balances	\$ (900,106)	\$ 2,265,648	\$ 3,165,754
Fund balances - beginning	<u>3,656,385</u>	<u>3,656,385</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 2,756,279</u></u>	<u><u>\$ 5,922,033</u></u>	<u><u>\$ 3,165,754</u></u>

BREVARD COUNTY, FLORIDA  
MENTAL HEALTH FACILITIES REFUNDING REVENUE BONDS, SERIES 1994A  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 175,013	\$ 190,078	\$ 15,065
EXPENDITURES			
Debt service:			
Principal	\$ 125,000	\$ 125,000	\$ 0
Interest	37,360	36,360	1,000
Total expenditures	\$ 162,360	\$ 161,360	\$ 1,000
Excess of revenues over expenditures	\$ 12,653	\$ 28,718	\$ 16,065
Net change in fund balances	\$ 12,653	\$ 28,718	\$ 16,065
Fund balances - beginning	438,899	438,899	0
Fund balances - ending	\$ 451,552	\$ 467,617	\$ 16,065

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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 21,780	\$ 44,814	\$ 23,034
EXPENDITURES			
Debt service:			
Principal	\$ 560,000	\$ 560,000	\$ 0
Interest	204,225	205,325	(1,100)
Total expenditures	\$ 764,225	\$ 765,325	\$ (1,100)
Deficiency of revenues under expenditures	\$ (742,445)	\$ (720,511)	\$ 21,934
OTHER FINANCING SOURCES			
Transfers in	\$ 764,225	\$ 777,128	\$ 12,903
Net change in fund balances	\$ 21,780	\$ 56,617	\$ 34,837
Fund balances - beginning	1,149,888	1,149,888	0
Fund balances - ending	<u>\$ 1,171,668</u>	<u>\$ 1,206,505</u>	<u>\$ 34,837</u>

BREVARD COUNTY, FLORIDA  
SALES TAX REVENUE BONDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 1,233	\$ 1,233
EXPENDITURES			
Debt service:			
Principal	\$ 5,315,201	\$ 5,315,201	\$ 0
Interest	2,800,365	2,798,200	2,165
Total expenditures	\$ 8,115,566	\$ 8,113,401	\$ 2,165
Deficiency of revenues under expenditures	\$ (8,115,566)	\$ (8,112,168)	\$ 3,398
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 8,298,338	\$ 8,280,595	\$ (17,743)
Transfers out	(182,772)	(182,772)	0
Total other financing sources and uses	\$ 8,115,566	\$ 8,097,823	\$ (17,743)
Net change in fund balances	\$ 0	\$ (14,345)	\$ (14,345)
Fund balances - beginning	40,015	40,015	0
Fund balances - ending	\$ 40,015	\$ 25,670	\$ (14,345)

BREVARD COUNTY, FLORIDA  
CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS, SERIES 1987  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Debt service:			
Principal	\$ 220,000	\$ 220,000	\$ 0
Deficiency of revenues under expenditures	\$ (220,000)	\$ (220,000)	\$ 0
OTHER FINANCING SOURCES			
Transfers in	\$ 220,000	\$ 220,000	\$ 0
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0



BREVARD COUNTY, FLORIDA

COMMERCIAL PAPER NOTE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 49,060	\$ 108,396	\$ 59,336
EXPENDITURES			
Debt service:			
Principal	\$ 454,982	\$ 416,000	\$ 38,982
Interest	138,994	130,869	8,125
Total expenditures	\$ 593,976	\$ 546,869	\$ 47,107
Deficiency of revenues under expenditures	\$ (544,916)	\$ (438,473)	\$ 106,443
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 424,043	\$ 424,012	\$ (31)
Transfers out	0	(7,084)	(7,084)
Capital related debt issued	19,650	19,650	0
Total other financing sources and uses	\$ 443,693	\$ 436,578	\$ (7,115)
Net change in fund balances	\$ (101,223)	\$ (1,895)	\$ 99,328
Fund balances - beginning	137,069	137,069	0
Fund balances - ending	\$ 35,846	\$ 135,174	\$ 99,328

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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 16,783,968	\$ 16,088,839	\$ (695,129)
Miscellaneous revenues	<u>255,000</u>	<u>870,913</u>	<u>615,913</u>
Total revenues	<u>\$ 17,038,968</u>	<u>\$ 16,959,752</u>	<u>\$ (79,216)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 8,860,000	\$ 8,860,000	\$ 0
Interest	<u>5,783,973</u>	<u>5,759,378</u>	<u>24,595</u>
Total expenditures	<u>\$ 14,643,973</u>	<u>\$ 14,619,378</u>	<u>\$ 24,595</u>
Excess of revenues over expenditures	<u>\$ 2,394,995</u>	<u>\$ 2,340,374</u>	<u>\$ (54,621)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 42,000	\$ 162,094	\$ 120,094
Transfers out	<u>(1,861,686)</u>	<u>(1,695,116)</u>	<u>166,570</u>
Total other financing sources and uses	<u>\$ (1,819,686)</u>	<u>\$ (1,533,022)</u>	<u>\$ 286,664</u>
Net change in fund balances	\$ 575,309	\$ 807,352	\$ 232,043
Fund balances - beginning	<u>8,790,427</u>	<u>8,790,427</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 9,365,736</u></u>	<u><u>\$ 9,597,779</u></u>	<u><u>\$ 232,043</u></u>

BREVARD COUNTY, FLORIDA  
SECOND GUARANTEED ENTITLEMENT BONDS, SERIES 1996  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 641,820	\$ 611,694	\$ (30,126)
Miscellaneous revenues	16,000	7,331	(8,669)
Total revenues	<u>\$ 657,820</u>	<u>\$ 619,025</u>	<u>\$ (38,795)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 225,000	\$ 225,000	\$ 0
Interest	168,850	165,938	2,912
Total expenditures	<u>\$ 393,850</u>	<u>\$ 390,938</u>	<u>\$ 2,912</u>
Excess of revenues over expenditures	<u>\$ 263,970</u>	<u>\$ 228,087</u>	<u>\$ (35,883)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 3,849	\$ 3,849
Transfers out	(27,000)	(24,127)	2,873
Total other financing sources and uses	<u>\$ (27,000)</u>	<u>\$ (20,278)</u>	<u>\$ 6,722</u>
Net change in fund balances	<u>\$ 236,970</u>	<u>\$ 207,809</u>	<u>\$ (29,161)</u>
Fund balances - beginning	150,824	150,824	0
Fund balances - ending	<u><u>\$ 387,794</u></u>	<u><u>\$ 358,633</u></u>	<u><u>\$ (29,161)</u></u>

BREVARD COUNTY, FLORIDA  
PARKS AND RECREATIONAL FACILITIES  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 437,552	\$ 1,316,656	\$ 879,104
Miscellaneous revenues	1,673,684	1,375,131	(298,553)
Total revenues	<u>\$ 2,111,236</u>	<u>\$ 2,691,787</u>	<u>\$ 580,551</u>
EXPENDITURES			
Capital outlay	<u>\$ 52,151,381</u>	<u>\$ 29,566,968</u>	<u>\$ 22,584,413</u>
Deficiency of revenues under expenditures	<u>\$ (50,040,145)</u>	<u>\$ (26,875,181)</u>	<u>\$ 23,164,964</u>
OTHER FINANCING SOURCES			
Transfers in	\$ 2,928,125	\$ 2,407,390	\$ (520,735)
Capital related debt issued	4,100,000	0	(4,100,000)
Total other financing sources and uses	<u>\$ 7,028,125</u>	<u>\$ 2,407,390</u>	<u>\$ (4,620,735)</u>
Net change in fund balances	<u>\$ (43,012,020)</u>	<u>\$ (24,467,791)</u>	<u>\$ 18,544,229</u>
Fund balances - beginning	<u>41,430,428</u>	<u>41,430,428</u>	<u>0</u>
Fund balances - ending	<u><u>\$ (1,581,592)</u></u>	<u><u>\$ 16,962,637</u></u>	<u><u>\$ 18,544,229</u></u>

BREVARD COUNTY, FLORIDA  
GENERAL GOVERNMENT FACILITIES  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 827,905	\$ 19,812	\$ (808,093)
Miscellaneous revenues	500,223	668,565	168,342
Total revenues	<u>\$ 1,328,128</u>	<u>\$ 688,377</u>	<u>\$ (639,751)</u>
EXPENDITURES			
Capital outlay	<u>\$ 23,706,168</u>	<u>\$ 9,375,751</u>	<u>\$ 14,330,417</u>
Deficiency of revenues under expenditures	<u>\$ (22,378,040)</u>	<u>\$ (8,687,374)</u>	<u>\$ 13,690,666</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 7,129,716	\$ 5,471,610	\$ (1,658,106)
Transfers out	<u>(18,860)</u>	<u>(18,860)</u>	<u>0</u>
Total other financing sources	<u>\$ 7,110,856</u>	<u>\$ 5,452,750</u>	<u>\$ (1,658,106)</u>
Net change in fund balances	\$ (15,267,184)	\$ (3,234,624)	\$ 12,032,560
Fund balances - beginning	<u>16,150,338</u>	<u>16,150,338</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 883,154</u></u>	<u><u>\$ 12,915,714</u></u>	<u><u>\$ 12,032,560</u></u>

BREVARD COUNTY, FLORIDA  
SPECIAL ASSESSMENT CONSTRUCTION PROJECTS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 14,280	\$ 14,280
EXPENDITURES			
Capital outlay	\$ 502,350	\$ 48,484	\$ 453,866
Deficiency of revenues under expenditures	\$ (502,350)	\$ (34,204)	\$ 468,146
OTHER FINANCING SOURCES AND (USES)			
Transfers out	\$ (23,543)	\$ (23,543)	\$ 0
Capital related debt issued	502,350	502,350	0
Total other financing sources and uses	\$ 478,807	\$ 478,807	\$ 0
Net change in fund balances	\$ (23,543)	\$ 444,603	\$ 468,146
Fund balances - beginning	23,399	23,399	0
Fund balances - ending	\$ (144)	\$ 468,002	\$ 468,146

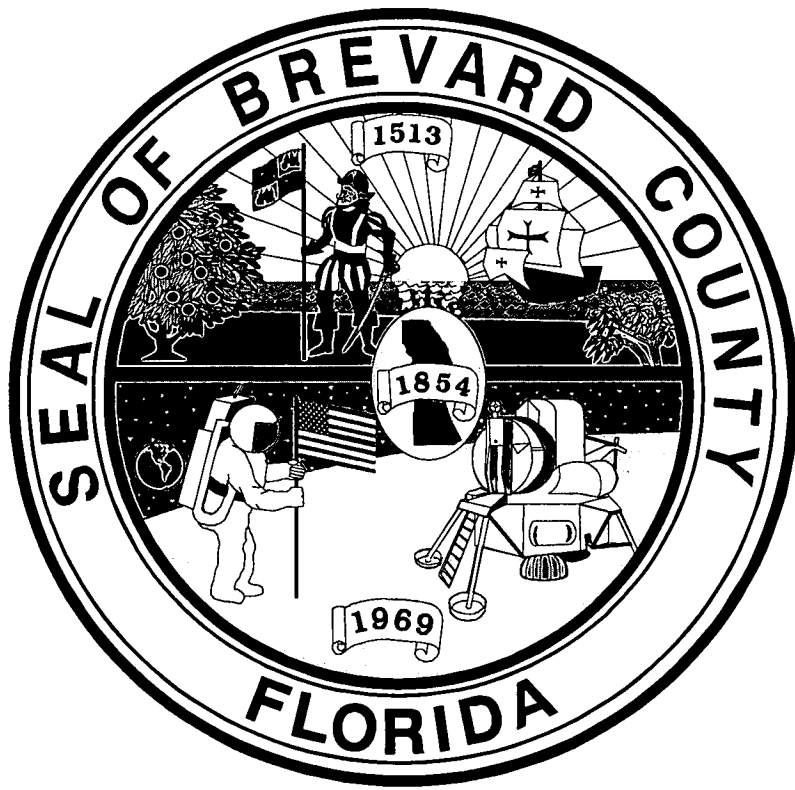
BREVARD COUNTY, FLORIDA  
COUNTYWIDE LIBRARY PROJECTS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 358,006	\$ 37,335	\$ (320,671)
EXPENDITURES			
Capital outlay	\$ 364,029	\$ 22,629	\$ 341,400
Excess (deficiency) of revenues over (under) expenditures	\$ (6,023)	\$ 14,706	\$ 20,729
Net change in fund balances	\$ (6,023)	\$ 14,706	\$ 20,729
Fund balances - beginning	817,369	817,369	0
Fund balances - ending	\$ 811,346	\$ 832,075	\$ 20,729

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, 2006

	<i>Final Budgeted Amounts</i>	<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 331,578	\$ 12,500	\$ (319,078)
Miscellaneous revenues	<u>2,762,707</u>	<u>3,852,952</u>	<u>1,090,245</u>
Total revenues	<u>\$ 3,094,285</u>	<u>\$ 3,865,452</u>	<u>\$ 771,167</u>
EXPENDITURES			
Capital outlay	<u>\$ 33,406,397</u>	<u>\$ 5,141,065</u>	<u>\$ 28,265,332</u>
Deficiency of revenues under expenditures	<u>\$ (30,312,112)</u>	<u>\$ (1,275,613)</u>	<u>\$ 29,036,499</u>
Net change in fund balances	\$ (30,312,112)	\$ (1,275,613)	\$ 29,036,499
Fund balances - beginning	<u>71,651,595</u>	<u>71,651,595</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 41,339,483</u></u>	<u><u>\$ 70,375,982</u></u>	<u><u>\$ 29,036,499</u></u>





## Nonmajor Enterprise Funds

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

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

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

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF NET ASSETS  
NONMAJOR PROPRIETARY FUNDS  
SEPTEMBER 30, 2006

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 4,234,544	\$ 390,478
Accounts receivable (net of allowance for uncollectibles)	17,668	20,575
Accrued interest receivable	23,490	2,536
Due from other governmental units	723,467	358,929
Inventories	0	0
Total current assets	<u>\$ 4,999,169</u>	<u>\$ 772,518</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 0	\$ 228,520
Buildings and structures	0	1,520,103
Improvements to land	0	0
Improvements other than buildings	0	12,014
Machinery and equipment	0	14,999,343
Less accumulated depreciation	0	(10,499,232)
Construction in progress	0	198,408
Unamortized debt issue costs	0	0
Total noncurrent assets	<u>\$ 0</u>	<u>\$ 6,459,156</u>
Total assets	<u>\$ 4,999,169</u>	<u>\$ 7,231,674</u>
<b>LIABILITIES</b>		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 1,024,854	\$ 325,330
Accrued wages and benefits payable	0	55,699
Due to other funds	0	377,000
Due to other governmental units	0	131
Accrued interest payable	0	0
Accrued compensated absences	0	24,640
Revenue bonds	0	0
Capital leases payable	0	0
Total current liabilities (payable from current assets)	<u>\$ 1,024,854</u>	<u>\$ 782,800</u>
Noncurrent liabilities:		
Revenue bonds payable (net of unamortized discounts and deferred amount on refunding)	\$ 0	\$ 0
Capital leases payable	0	0
Accrued compensated absences	0	294,521
Total noncurrent liabilities	<u>\$ 0</u>	<u>\$ 294,521</u>
Total liabilities	<u>\$ 1,024,854</u>	<u>\$ 1,077,321</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	\$ 0	\$ 6,459,156
Unrestricted	3,974,315	(304,803)
Total net assets	<u>\$ 3,974,315</u>	<u>\$ 6,154,353</u>

<i>Activities - Enterprise Funds</i>	
<i>Brevard County Golf Courses</i>	<i>Total</i>
\$ 1,333,450	\$ 5,958,472
14,412	52,655
8,301	34,327
536,419	1,618,815
113,929	113,929
<u>\$ 2,006,511</u>	<u>\$ 7,778,198</u>
\$ 1,943,379	\$ 2,171,899
2,970,671	4,490,774
7,840,442	7,840,442
131,718	143,732
948,697	15,948,040
(5,820,347)	(16,319,579)
0	198,408
81,306	81,306
<u>\$ 8,095,866</u>	<u>\$ 14,555,022</u>
<u>\$ 10,102,377</u>	<u>\$ 22,333,220</u>
\$ 401,139	\$ 1,751,323
13,967	69,666
0	377,000
8,752	8,883
120,263	120,263
11,331	35,971
711,150	711,150
127,901	127,901
<u>\$ 1,394,503</u>	<u>\$ 3,202,157</u>
\$ 6,964,716	\$ 6,964,716
302,816	302,816
98,630	393,151
<u>\$ 7,366,162</u>	<u>\$ 7,660,683</u>
<u>\$ 8,760,665</u>	<u>\$ 10,862,840</u>
\$ (92,023)	\$ 6,367,133
1,433,735	5,103,247
<u>\$ 1,341,712</u>	<u>\$ 11,470,380</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
Operating revenues:		
Service fees	\$ 13,006,112	\$ 1,918,602
Less cost of goods sold	0	0
Total operating revenues	<u>\$ 13,006,112</u>	<u>\$ 1,918,602</u>
Operating expenses:		
Wages and benefits	\$ 2,055	\$ 3,855,835
Repair, maintenance, and other services	10,802,473	2,790,284
Materials and supplies	0	1,276,459
Depreciation	0	1,511,142
Total operating expenses	<u>\$ 10,804,528</u>	<u>\$ 9,433,720</u>
Operating gain (loss)	<u>\$ 2,201,584</u>	<u>\$ (7,515,118)</u>
Nonoperating revenues (expenses):		
Income on investments	\$ 251,885	\$ 27,076
Interest expense	0	(53,362)
Miscellaneous revenue	248,045	3,122
Grants and matching funds	617,376	5,588,813
Gain on disposal of capital assets	0	84,151
Amortization of debt issue costs	0	0
Total nonoperating revenue (expense)	<u>\$ 1,117,306</u>	<u>\$ 5,649,800</u>
Income (loss) before contributions and transfers	<u>\$ 3,318,890</u>	<u>\$ (1,865,318)</u>
Capital contributions	\$ 0	\$ 1,156,134
Transfers in	0	549,547
Transfers out	(107,620)	0
Total contributions and transfers	<u>\$ (107,620)</u>	<u>\$ 1,705,681</u>
Change in net assets	<u>\$ 3,211,270</u>	<u>\$ (159,637)</u>
Net assets - beginning	\$ 763,045	\$ 6,328,422
Cumulative effect in prior years of accounting error	0	(14,432)
Net assets - beginning, restated	<u>\$ 763,045</u>	<u>\$ 6,313,990</u>
Net assets - ending	<u><u>\$ 3,974,315</u></u>	<u><u>\$ 6,154,353</u></u>

*Activities - Enterprise Funds*

<i>Brevard County Golf Courses</i>	<i>Total</i>
\$ 3,351,199	\$ 18,275,913
(178,384)	(178,384)
<u>\$ 3,172,815</u>	<u>\$ 18,097,529</u>
\$ 924,647	\$ 4,782,537
3,039,028	16,631,785
37,604	1,314,063
442,317	1,953,459
<u>\$ 4,443,596</u>	<u>\$ 24,681,844</u>
<u>\$ (1,270,781)</u>	<u>\$ (6,584,315)</u>
\$ 70,937	\$ 349,898
(435,723)	(489,085)
2,799	253,966
595,613	6,801,802
80,514	164,665
(15,141)	(15,141)
<u>\$ 298,999</u>	<u>\$ 7,066,105</u>
\$ (971,782)	\$ 481,790
\$ 0	\$ 1,156,134
2,012,842	2,562,389
0	(107,620)
<u>\$ 2,012,842</u>	<u>\$ 3,610,903</u>
<u>\$ 1,041,060</u>	<u>\$ 4,092,693</u>
\$ 300,652	\$ 7,392,119
0	(14,432)
<u>\$ 300,652</u>	<u>\$ 7,377,687</u>
<u><u>\$ 1,341,712</u></u>	<u><u>\$ 11,470,380</u></u>

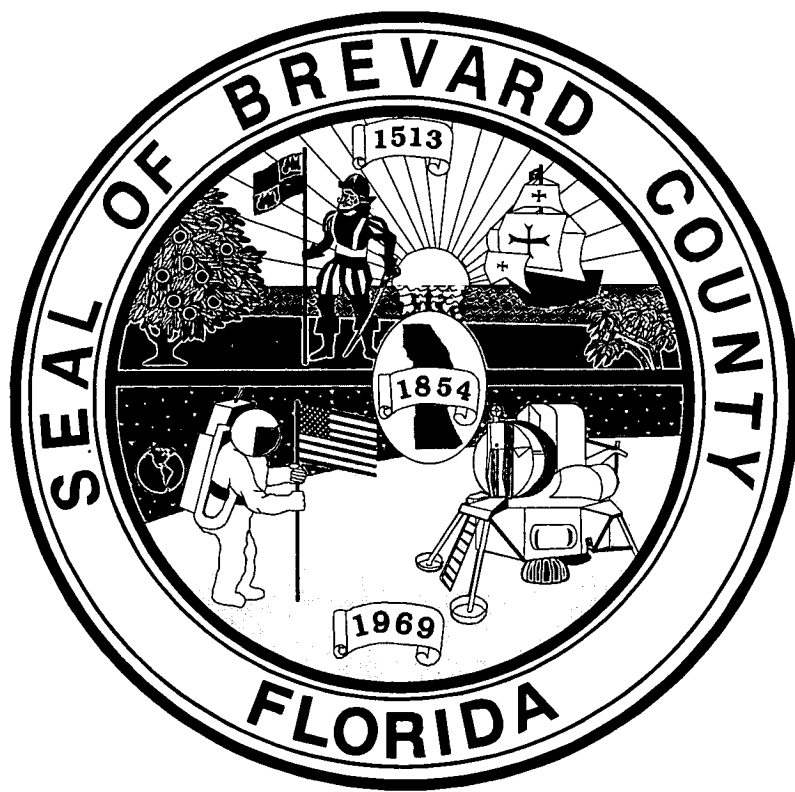
BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<u>Nonmajor</u>
	<u>Solid Waste Collection Services</u>
Cash flows from operating activities:	
Cash receipts for service fees	\$ 12,999,114
Cash receipts from other sources	246,431
Cash payments to employees for services	(2,055)
Cash payments to suppliers for goods and services	(10,834,336)
Net cash used for operating activities	<u>\$ 2,409,154</u>
Cash flows from noncapital financing activities:	
Grant receipts	\$ 2,913,518
Transfers in	0
Transfers out	(107,620)
Interfund loans	(2,078,737)
Net cash flows provided by (used for) noncapital financing activities	<u>\$ 727,161</u>
Cash flows from capital and related financing activities:	
Principal payments	\$ 0
Interest payments	0
Capital grant receipts	0
Payments to acquire, construct, or improve fixed assets	0
Proceeds from disposal of capital assets	0
Net cash flows provided by (used for) capital and related financing activities	<u>\$ 0</u>
Cash flows from investing activities:	
Interest on investments	\$ 264,056
Net increase (decrease) in cash and cash equivalents	\$ 3,400,371
Cash and cash equivalents, October 1, 2005	834,173
Cash and cash equivalents, September 30, 2006	<u>\$ 4,234,544</u>
Reconciliation of operating income (loss) to net cash flows from operating activities	
Operating income (loss)	\$ 2,201,584
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation expense	\$ 0
Miscellaneous revenue	248,045
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(20,701)
(Increase) decrease in due from other governmental units	2,066,570
(Increase) decrease in inventory of supplies	0
Increase (decrease) in accrued compensated absences	0
Increase (decrease) in vouchers & contracts payable	(31,520)
Increase (decrease) in wages payable	0
Increase (decrease) in due to other funds	(2,054,824)
Increase (decrease) in due to other governmental units	0
Total adjustment	<u>\$ 207,570</u>
Net cash used for operating activities	<u>\$ 2,409,154</u>
Non-cash investing, capital, and financing activities:	
Aquisition of capital assets through lease-purchase	<u>\$ 0</u>

*Business-type Activities - Enterprise Funds*

<i>Space Coast Area Transit</i>	<i>Brevard County Golf Courses</i>	<i>Total</i>
\$ 2,083,948	\$ 3,535,327	\$ 18,618,389
12,651	0	259,082
(3,751,370)	(909,424)	(4,662,849)
(3,879,182)	(3,100,085)	(17,813,603)
<u>\$ (5,533,953)</u>	<u>\$ (474,182)</u>	<u>\$ (3,598,981)</u>
\$ 5,859,565	\$ 123,513	\$ 8,896,596
549,547	2,012,842	2,562,389
0	0	(107,620)
(388,041)	(23,463)	(2,490,241)
<u>\$ 6,021,071</u>	<u>\$ 2,112,892</u>	<u>\$ 8,861,124</u>
\$ 0	\$ (799,157)	\$ (799,157)
0	(391,919)	(391,919)
1,156,134	0	1,156,134
(1,460,423)	(553,676)	(2,014,099)
82,458	168	82,626
<u>\$ (221,831)</u>	<u>\$ (1,744,584)</u>	<u>\$ (1,966,415)</u>
\$ 24,485	\$ 67,980	\$ 356,521
\$ 289,772	\$ (37,894)	\$ 3,652,249
100,706	1,371,344	2,306,223
<u>\$ 390,478</u>	<u>\$ 1,333,450</u>	<u>\$ 5,958,472</u>
\$ (7,515,118)	\$ (1,270,781)	\$ (6,584,315)
\$ 1,511,142	\$ 442,317	\$ 1,953,459
3,122	2,799	253,966
73,164	(17,694)	34,769
517,522	0	2,584,092
0	17,463	17,463
45,826	15,812	61,638
157,120	335,425	461,025
(3,862)	(745)	(4,607)
(323,000)	0	(2,377,824)
131	1,222	1,353
<u>\$ 1,981,165</u>	<u>\$ 796,599</u>	<u>\$ 2,985,334</u>
<u>\$ (5,533,953)</u>	<u>\$ (474,182)</u>	<u>\$ (3,598,981)</u>
<u>\$ 0</u>	<u>\$ 104,977</u>	<u>\$ 104,977</u>





## Internal Service Funds

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

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

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2006

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
<b>ASSETS</b>			
Current assets:			
Cash	\$ 1,363,201	\$ 35,088,216	\$ 36,451,417
Cash with escrow and paying agent	0	736,220	736,220
Accounts receivable	262,197	97,748	359,945
Accrued interest receivable	7,769	196,458	204,227
Due from other funds	0	133,334	133,334
Due from other governmental units	0	205,504	205,504
Prepaid items	0	2,820,017	2,820,017
Total current assets	<u>\$ 1,633,167</u>	<u>\$ 39,277,497</u>	<u>\$ 40,910,664</u>
Noncurrent assets:			
Capital assets:			
Machinery and equipment	\$ 4,515,114	\$ 113,816	\$ 4,628,930
Less accumulated depreciation	(2,100,873)	(72,655)	(2,173,528)
Advances to other funds	0	266,666	266,666
Total capital assets (net of accumulated depreciation)	<u>\$ 2,414,241</u>	<u>\$ 307,827</u>	<u>\$ 2,722,068</u>
Total assets	<u>\$ 4,047,408</u>	<u>\$ 39,585,324</u>	<u>\$ 43,632,732</u>
<b>LIABILITIES</b>			
Current liabilities:			
Vouchers and contracts payable	\$ 258,354	\$ 1,483,447	\$ 1,741,801
Accrued wages and benefits payable	20,411	15,555	35,966
Claims payable	0	7,971,395	7,971,395
Accrued compensated absences	10,143	8,625	18,768
Total current liabilities	<u>\$ 288,908</u>	<u>\$ 9,479,022</u>	<u>\$ 9,767,930</u>
Noncurrent liabilities:			
Claims payable	\$ 0	\$ 4,139,298	\$ 4,139,298
Notes payable	112,000	0	112,000
Accrued compensated absences	238,194	114,044	352,238
Total noncurrent liabilities	<u>\$ 350,194</u>	<u>\$ 4,253,342</u>	<u>\$ 4,603,536</u>
Total liabilities	<u>\$ 639,102</u>	<u>\$ 13,732,364</u>	<u>\$ 14,371,466</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	\$ 2,302,241	\$ 41,161	\$ 2,343,402
Unrestricted	1,106,065	25,811,799	26,917,864
Total net assets	<u>\$ 3,408,306</u>	<u>\$ 25,852,960</u>	<u>\$ 29,261,266</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
Operating revenues:			
Service fees	\$ 6,713,191	\$ 52,105,085	\$ 58,818,276
Operating expenses:			
Wages and benefits	\$ 2,328,953	\$ 1,110,503	\$ 3,439,456
Repair, maintenance, and other services	4,448,932	9,108,304	13,557,236
Materials and supplies	91,805	36,390	128,195
Depreciation	568,538	11,031	579,569
Insurance claims expense	0	40,087,329	40,087,329
Total operating expenses	\$ 7,438,228	\$ 50,353,557	\$ 57,791,785
Operating income (loss)	\$ (725,037)	\$ 1,751,528	\$ 1,026,491
Nonoperating revenues (expenses):			
Income on investments	\$ 62,373	\$ 1,527,639	\$ 1,590,012
Gain (loss) on disposal of capital assets	(23,235)	2,992	(20,243)
Miscellaneous revenue	298	2,620,591	2,620,889
Interest expense	(5,616)	0	(5,616)
Total nonoperating revenues (expenses)	\$ 33,820	\$ 4,151,222	\$ 4,185,042
Income (loss) before contribution	\$ (691,217)	\$ 5,902,750	\$ 5,211,533
Capital contribution	\$ 515,750	\$ 0	\$ 515,750
Change in net assets	\$ (175,467)	\$ 5,902,750	\$ 5,727,283
Net assets - beginning	\$ 3,668,941	\$ 19,950,210	\$ 23,619,151
Cumulative effect in prior years of accounting error	(85,168)	0	(85,168)
Net assets - beginning, restated	\$ 3,583,773	\$ 19,950,210	\$ 23,533,983
Net assets - ending	\$ 3,408,306	\$ 25,852,960	\$ 29,261,266

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
Cash flows from operating activities:			
Cash receipts for service fees	\$ 6,615,482	\$ 56,454,609	\$ 63,070,091
Cash receipts from other sources	7,462	70	7,532
Cash payments to employees for services	(2,265,265)	(1,109,665)	(3,374,930)
Cash payments to suppliers for goods and services	(4,202,933)	(5,767,717)	(9,970,650)
Cash payments for insurance claims	0	(46,854,959)	(46,854,959)
Net cash provided by operating activities	<u>\$ 154,746</u>	<u>\$ 2,722,338</u>	<u>\$ 2,877,084</u>
Cash flows from noncapital financing activities:			
Grant receipts	\$ 0	\$ 4,025	\$ 4,025
Interfund loans	0	(400,000)	(400,000)
Net cash flows provided by noncapital and related financing activities	<u>\$ 0</u>	<u>\$ (395,975)</u>	<u>\$ (395,975)</u>
Cash flows from capital and related financing activities:			
Principal payments	\$ (56,000)	\$ 0	\$ (56,000)
Interest payments	(5,614)	0	(5,614)
Proceeds from sale of capital assets	12,171	4,213	16,384
Payments to acquire, construct, or improve fixed assets	(493,682)	(20,445)	(514,127)
Net cash flows used for capital and related financing activities	<u>\$ (543,125)</u>	<u>\$ (16,232)</u>	<u>\$ (559,357)</u>
Cash flows from investing activities:			
Interest on investments	\$ 63,795	\$ 1,454,721	\$ 1,518,516
Net increase (decrease) in cash and cash equivalents	\$ (324,584)	\$ 3,764,852	\$ 3,440,268
Cash and cash equivalents, October 1, 2005	<u>1,687,785</u>	<u>32,059,584</u>	<u>33,747,369</u>
Cash and cash equivalents, September 30, 2006	<u><u>\$ 1,363,201</u></u>	<u><u>\$ 35,824,436</u></u>	<u><u>\$ 37,187,637</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	<u>\$ (725,037)</u>	<u>\$ 1,751,528</u>	<u>\$ 1,026,491</u>
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	\$ 568,538	\$ 11,031	\$ 579,569
Bad debt expense	94,848	0	94,848
Miscellaneous revenues	298	2,620,591	2,620,889
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(163,043)	(93,616)	(256,659)
(Increase) decrease in due from other governmental units	(1,260)	158,707	157,447
(Increase) decrease in prepaid items	0	(2,820,017)	(2,820,017)
Increase (decrease) in vouchers and contracts payable	312,535	1,071,544	1,384,079
Increase (decrease) in insurance claims	0	(663)	(663)
Increase (decrease) in wages payable	(11,355)	(687)	(12,042)
Increase (decrease) in accrued compensated absences	79,222	23,920	103,142
Total adjustments	<u>\$ 879,783</u>	<u>\$ 970,810</u>	<u>\$ 1,850,593</u>
Net cash provided by operating activities	<u><u>\$ 154,746</u></u>	<u><u>\$ 2,722,338</u></u>	<u><u>\$ 2,877,084</u></u>

## Agency Funds

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

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

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

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

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2006

	<i>Board Agency Funds</i>	<i>Sheriff Agency Funds</i>
ASSETS		
Cash	\$ 1,374,208	\$ 64,015
Investments	0	0
Accounts receivable	0	0
Assessments, current	2,580	0
Accrued interest receivable	7,554	0
Due from other governmental units	0	0
Total assets	<u>\$ 1,384,342</u>	<u>\$ 64,015</u>
LIABILITIES		
Due to employees, individuals, and others	\$ 152,954	\$ 64,015
Due to other governmental units	11,681	0
Escrow and refundable deposits	<u>1,219,707</u>	<u>0</u>
Total liabilities	<u>\$ 1,384,342</u>	<u>\$ 64,015</u>

<i>Clerk Agency Funds</i>	<i>Tax Collector Agency Funds</i>	<i>Total</i>
\$ 16,450,504	\$ 7,527,194	\$ 25,415,921
1,529,772	0	1,529,772
57,536	115,886	173,422
0	0	2,580
0	0	7,554
83,266	349	83,615
<u>\$ 18,121,078</u>	<u>\$ 7,643,429</u>	<u>\$ 27,212,864</u>
\$ 767,962	\$ 6,751,582	\$ 7,736,513
3,683,827	891,847	4,587,355
13,669,289	0	14,888,996
<u>\$ 18,121,078</u>	<u>\$ 7,643,429</u>	<u>\$ 27,212,864</u>



BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Balance Oct. 1, 2005</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance Sept. 30, 2006</i>
<u>Board Agency</u>				
ASSETS:				
Cash	\$ 1,178,858	\$ 1,533,183	\$ 1,337,833	\$ 1,374,208
Assessments receivable	2,580	0	0	2,580
Interest receivable	4,788	7,554	4,788	7,554
TOTAL ASSETS	<u>\$ 1,186,226</u>	<u>\$ 1,540,737</u>	<u>\$ 1,342,621</u>	<u>\$ 1,384,342</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 136,350	\$ 60,515	\$ 43,911	\$ 152,954
Due to other governmental units	13,226	3,536	5,081	11,681
Escrow and refundable deposits	1,036,650	1,431,835	1,248,778	1,219,707
TOTAL LIABILITIES	<u>\$ 1,186,226</u>	<u>\$ 1,495,886</u>	<u>\$ 1,297,770</u>	<u>\$ 1,384,342</u>
<u>Sheriff Agency</u>				
ASSETS:				
Cash	<u>\$ 66,361</u>	<u>\$ 3,182,689</u>	<u>\$ 3,185,035</u>	<u>\$ 64,015</u>
LIABILITIES:				
Due to employees, individuals, and others	<u>\$ 66,361</u>	<u>\$ 3,182,689</u>	<u>\$ 3,185,035</u>	<u>\$ 64,015</u>
<u>Clerk Agency</u>				
ASSETS:				
Cash	\$ 21,216,182	\$ 166,907,447	\$ 171,673,125	\$ 16,450,504
Investments	1,442,779	86,993	0	1,529,772
Accounts receivable	116,999	11,170,278	11,229,741	57,536
Due from other governmental units	0	3,274,111	3,190,845	83,266
TOTAL ASSETS	<u>\$ 22,775,960</u>	<u>\$ 181,438,829</u>	<u>\$ 186,093,711</u>	<u>\$ 18,121,078</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 720,068	\$ 17,897,528	\$ 17,849,634	\$ 767,962
Due to other governmental units	8,034,053	125,474,639	129,824,865	3,683,827
Escrow and refundable deposits	14,021,839	38,493,061	38,845,611	13,669,289
TOTAL LIABILITIES	<u>\$ 22,775,960</u>	<u>\$ 181,865,228</u>	<u>\$ 186,520,110</u>	<u>\$ 18,121,078</u>

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Balance Oct. 1, 2005</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance Sept. 30, 2006</i>
<u>Tax Collector Agency</u>				
ASSETS:				
Cash	\$ 6,783,714	\$ 687,205,393	\$ 686,461,913	\$ 7,527,194
Accounts receivable	82,078	36,061	2,253	115,886
Interest receivable	6,121	0	6,121	0
Due from other governmental units	1,292	54	997	349
TOTAL ASSETS	<u>\$ 6,873,205</u>	<u>\$ 687,241,508</u>	<u>\$ 686,471,284</u>	<u>\$ 7,643,429</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 5,734,683	\$ 24,588,773	\$ 23,571,874	\$ 6,751,582
Due to other governmental units	1,138,522	662,652,735	662,899,410	891,847
TOTAL LIABILITIES	<u>\$ 6,873,205</u>	<u>\$ 687,241,508</u>	<u>\$ 686,471,284</u>	<u>\$ 7,643,429</u>
<u>TOTAL - ALL FIDUCIARY FUNDS</u>				
ASSETS:				
Cash	\$ 29,245,115	\$ 858,828,712	\$ 862,657,906	\$ 25,415,921
Investments	1,442,779	86,993	0	1,529,772
Accounts receivable	199,077	11,206,339	11,231,994	173,422
Assessments receivable	2,580	0	0	2,580
Interest receivable	10,909	7,554	10,909	7,554
Due from other governmental units	1,292	3,274,165	3,191,842	83,615
TOTAL ASSETS	<u>\$ 30,901,752</u>	<u>\$ 873,403,763</u>	<u>\$ 877,092,651</u>	<u>\$ 27,212,864</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 6,657,462	\$ 45,729,505	\$ 44,650,454	\$ 7,736,513
Due to other governmental units	9,185,801	788,130,910	792,729,356	4,587,355
Escrow and refundable deposits	15,058,489	39,924,896	40,094,389	14,888,996
TOTAL LIABILITIES	<u>\$ 30,901,752</u>	<u>\$ 873,785,311</u>	<u>\$ 877,474,199</u>	<u>\$ 27,212,864</u>



## Component Units

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

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

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

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

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

BREVARD COUNTY, FLORIDA  
COMBINING STATEMENT OF NET ASSETS  
COMPONENT UNITS  
SEPTEMBER 30, 2006

	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 19,169	\$ 2,609,779
Receivables:		
Receivables (net of allowance for uncollectibles)	0	0
Accrued interest receivable	0	14,532
Due from other governmental units	0	0
Inventory	0	0
Prepaid items	0	0
Deferred charges	0	0
Restricted assets:		
Capital assets:		
Land	0	0
Buildings and structures	0	0
Improvements to land	0	0
Improvements other than buildings	0	0
Machinery and equipment	0	0
Less accumulated depreciation	0	0
Construction in progress	0	0
Total assets	<u>\$ 19,169</u>	<u>\$ 2,624,311</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 0	\$ 10,015
Accrued liabilities	0	0
Accrued wages and benefits payable	0	357
Advance payments	0	0
Deferred revenue	0	0
Noncurrent liabilities:		
Due within one year:		
Accrued compensated absences	0	0
Loans and leases payable	0	0
Due in more than one year:		
Loans and leases payable	0	0
Total liabilities	<u>\$ 0</u>	<u>\$ 10,372</u>
<b>NET ASSETS</b>		
Invested in capital assets (net of related debt)	\$ 0	\$ 0
Unrestricted	19,169	2,613,939
Total net assets	<u><u>\$ 19,169</u></u>	<u><u>\$ 2,613,939</u></u>

<i>Titusville- Cocoa Airport Authority</i>	<i>Melbourne- Tillman Water Control District</i>	<i>Housing Finance Authority</i>	<i>Total</i>
\$ 2,323,272	\$ 8,125,765	\$ 2,917,224	\$ 15,995,209
350,681	0	40,702	391,383
0	0	3,792	18,324
423,834	0	0	423,834
0	32,323	0	32,323
68,137	0	0	68,137
3,959	0	0	3,959
12,239,662	277,821	0	12,517,483
12,195,823	373,789	0	12,569,612
339,254	8,229,276	0	8,568,530
21,308,163	0	0	21,308,163
2,983,399	1,870,132	0	4,853,531
(16,289,154)	(7,486,684)	0	(23,775,838)
3,311,175	0	0	3,311,175
<u>\$ 39,258,205</u>	<u>\$ 11,422,422</u>	<u>\$ 2,961,718</u>	<u>\$ 56,285,825</u>
\$ 129,972	\$ 7,717	\$ 24,568	\$ 172,272
319,236	0	0	319,236
128	20,554	0	21,039
210,406	0	120,000	330,406
0	0	64,175	64,175
94,399	122,500	0	216,899
142,459	28,649	0	171,108
2,090,642	13,280	0	2,103,922
<u>\$ 2,987,242</u>	<u>\$ 192,700</u>	<u>\$ 208,743</u>	<u>\$ 3,399,057</u>
\$ 33,855,220	\$ 3,222,405	\$ 0	\$ 37,077,625
2,415,743	8,007,317	2,752,975	15,809,143
<u>\$ 36,270,963</u>	<u>\$ 11,229,722</u>	<u>\$ 2,752,975</u>	<u>\$ 52,886,768</u>

BREVARD COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Functions/</i>	
	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
Expenses:		
Expenses	\$ 935	\$ 343,973
Total expenses	\$ 935	\$ 343,973
Program revenues:		
Charges for services	\$ 5,434	\$ 0
Capital grants and contributions	0	0
Total program revenues	\$ 5,434	\$ 0
Net program revenue (expenses)	\$ 4,499	\$ (343,973)
General revenues:		
Taxes:		
Ad valorem taxes	\$ 0	\$ 0
Others	0	1,304,964
Unrestricted investment earnings	0	0
Miscellaneous	0	87,940
Total general revenues	\$ 0	\$ 1,392,904
Changes in net assets	\$ 4,499	\$ 1,048,931
Net assets - beginning	14,670	1,565,008
Net assets - ending	\$ 19,169	\$ 2,613,939

<i>Programs</i>			
<i>Titusville- Cocoa Airport Authority</i>	<i>Melbourne- Tillman Water Control District</i>	<i>Housing Finance Authority</i>	<i>Total</i>
<u>\$ 2,643,606</u>	<u>\$ 2,403,854</u>	<u>\$ 142,718</u>	<u>\$ 5,535,086</u>
<u>\$ 2,643,606</u>	<u>\$ 2,403,854</u>	<u>\$ 142,718</u>	<u>\$ 5,535,086</u>
<u>\$ 1,770,940</u>	<u>\$ 1,587,942</u>	<u>\$ 211,544</u>	<u>\$ 3,575,860</u>
<u>3,160,653</u>	<u>0</u>	<u>0</u>	<u>3,160,653</u>
<u>\$ 4,931,593</u>	<u>\$ 1,587,942</u>	<u>\$ 211,544</u>	<u>\$ 6,736,513</u>
<u>\$ 2,287,987</u>	<u>\$ (815,912)</u>	<u>\$ 68,826</u>	<u>\$ 1,201,427</u>
<u>\$ 198,375</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 198,375</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,304,964</u>
<u>135,402</u>	<u>397,692</u>	<u>123,534</u>	<u>656,628</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>87,940</u>
<u>\$ 333,777</u>	<u>\$ 397,692</u>	<u>\$ 123,534</u>	<u>\$ 2,247,907</u>
<u>\$ 2,621,764</u>	<u>\$ (418,220)</u>	<u>\$ 192,360</u>	<u>\$ 3,449,334</u>
<u>33,649,199</u>	<u>11,647,942</u>	<u>2,560,615</u>	<u>49,437,434</u>
<u>\$ 36,270,963</u>	<u>\$ 11,229,722</u>	<u>\$ 2,752,975</u>	<u>\$ 52,886,768</u>





BREVARD COUNTY, FLORIDA  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

Governmental funds capital assets:

Land	\$ 156,553,882
Buildings and structures	164,777,296
Infrastructure	83,844,818
Improvements to land	19,047,141
Improvements other than buildings	15,815,773
Machinery and equipment	116,935,957
Construction in progress	<u>84,055,569</u>
Total governmental funds capital assets	<u>\$ 641,030,436</u>

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

BREVARD COUNTY, FLORIDA  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION  
SEPTEMBER 30, 2006

FUNCTION	<u>Land</u>	<u>Buildings and structures</u>	<u>Infrastructure</u>
General government	\$ 7,547,419	\$ 84,341,707	\$ 0
Public safety	475,765	7,828,475	0
Physical environment	37,784,014	3,024,724	5,617,304
Transportation	31,169,723	1,585,474	76,903,192
Economic environment	266,438	0	514,333
Human services	338,190	1,622,695	0
Culture and recreation	78,972,333	66,374,221	809,989
Total governmental funds capital assets	<u>\$ 156,553,882</u>	<u>\$ 164,777,296</u>	<u>\$ 83,844,818</u>

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

<i>Improvements to land</i>	<i>Improvements other than buildings</i>	<i>Machinery and equipment</i>	<i>Construction in progress</i>	<i>Total</i>
\$ 541,285	\$ 894,063	\$ 18,481,560	\$ 1,990,040	\$ 113,796,074
659,712	6,525	49,052,874	2,860,623	60,883,974
1,261,039	142,072	2,294,875	5,181,407	55,305,435
278,884	17,009	23,440,535	27,450,924	160,845,741
14,509	57,903	224,783	1,451,193	2,529,159
0	95,230	9,378,946	6,650	11,441,711
16,291,712	14,602,971	14,062,384	45,114,732	236,228,342
<u>\$ 19,047,141</u>	<u>\$ 15,815,773</u>	<u>\$ 116,935,957</u>	<u>\$ 84,055,569</u>	<u>\$ 641,030,436</u>

BREVARD COUNTY, FLORIDA  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE OF CHANGES BY FUNCTION  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

FUNCTION	<i>Governmental Funds Capital Assets Oct. 1, 2005</i>	<i>Adjustments to beginning balances</i>
General government	\$ 76,732,476	\$ 0
Public safety	80,739,305	0
Physical environment	48,026,774	0
Transportation	77,308,836	64,641,419
Economic environment	380,788	0
Human services	11,631,531	0
Culture and recreation	207,269,656	(700,104)
Total governmental funds capital assets	<u>\$ 502,089,366</u>	<u>\$ 63,941,315</u>

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

<i>Adjusted balance Oct. 1, 2005</i>	<i>Additions</i>	<i>Deductions</i>	<i>Transfers</i>	<i>Governmental Funds Capital Assets Sept. 30, 2006</i>
\$ 76,732,476	\$ 22,095,556	\$ 12,678,875	\$ 27,646,917	\$ 113,796,074
80,739,305	11,086,561	5,045,570	(25,896,322)	60,883,974
48,026,774	7,514,977	1,672,389	1,436,073	55,305,435
141,950,255	22,861,701	3,186,857	(779,358)	160,845,741
380,788	1,441,628	29,149	735,892	2,529,159
11,631,531	792,037	521,866	(459,991)	11,441,711
206,569,552	47,287,173	14,945,172	(2,683,211)	236,228,342
<u>\$ 566,030,681</u>	<u>\$ 113,079,633</u>	<u>\$ 38,079,878</u>	<u>\$ 0</u>	<u>\$ 641,030,436</u>



BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2006



BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2006

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>Federal Expenditures</i>
<b>PRIMARY GOVERNMENT</b>				
<b>DEPARTMENT OF TRANSPORTATION:</b>				
FL90-X518		20.507	*	\$ 708,260
FL90-X558		20.507	*	2,259,708
FL90-X392		20.507	*	26,623
FL90-X407		20.507	*	98,755
FL90-X433		20.507	*	67,192
FL90-X467		20.507	*	292,828
FL90-X494		20.507	*	462,702
PL112 05/06, PL-0263(43)	409752-1-14-01, A-5064	20.205		361,590
PL112 06/07, PL-0263(44)	407209-1-14-01, A-5064	20.205		170,827
FL-80-X015	245980-1-14-15, AM792	20.505		122,011
Passed through the Florida Department of Transportation				
Aggressive Driving II	SC-06-13-01	20.600		61,277
DUI/Mobile Breath Test II	FA-06-22-01	20.601		28,809
Emergency Relief Program				
FHWA-Hurricane Wilma	AOE13	20.205		471,537
Total Department of Transportation				<u>\$ 5,132,119</u>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>				
Community Development Block Grant		14.218	*	\$ 1,992,042
HOME Investment Partnership Program	M00DC120200	14.239	*	2,356,517
Passed through the Department of Community Affairs				
Disaster Recovery Initiative	06DB-3C-06-15-01-W 04	14.228	*	881,204
Total Department of Housing and Urban Development				<u>\$ 5,229,763</u>
<b>DEPARTMENT OF JUSTICE:</b>				
Federal Asset Sharing	FL0050000	16.000		\$ 121,636
LLEBG 2004	2004-LB-BX-0757	16.592		60,344
COPS UHP 20	2002-ULWX-0069	16.710		71,865
COPS UHP 12	2003-ULWX-0023	16.710		153,539
GREAT Grant III	2004-JV-FX-0072	16.737		55,798
Federal JAG Transportation	2005-DJ-BX-0656	16.738		112,398
Passed through the Florida Department of Law Enforcement				
Jail Transport	2006-JAGC-BREV-1-M8-206	16.579		237,840
Criminal History Record Impr (LIVESCAN)	06-CJ-JS-06-15-01-287	16.579		38,431
Consumer Fraud Grant	2006-JAGC-BREV-2-M8-36	16.738		40,000
Passed through the Florida Office of the Attorney General				
VOCA	V5101	16.582		51,513
Total Department of Justice				<u>\$ 943,364</u>
<b>DEPARTMENT OF THE TREASURY:</b>				
Federal Asset Sharing	FL0050000	21.000		\$ 226,175
<b>DEPARTMENT OF ENERGY:</b>				
Passed through the Florida Department of Community Affairs				
Weatherization	06WX-6D-06-15-01-004	81.042		<u>\$ 27,806</u>

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2006

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>Federal Expenditures</i>
<b>GENERAL SERVICES ADMINISTRATION:</b>				
Passed through the Florida Bureau of Federal Property Assistance Federal Surplus Property Donation Program		39.003		\$ 6,219
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>				
Passed through Florida Department of Community Affairs				
Low Income Energy Assistance	06EA-3M-06-15-01-003	93.568	*	\$ 587,590
Low Income Energy Assistance	05EA-5K-06-15-01-003	93.568	*	159,052
WAP-LIHEAP	06LH-5K-06-15-01-004	93.568	*	38,457
Community Action Agency	06SB-5N-06-15-01-002	93.569		225,992
Passed through the Florida Department of Revenue				
Child Support Enforcement	CC305	93.563		328,907
Service of Process	CS605	93.563		27,086
Passed through the Florida Department of Children and Families				
Temporary Assistance for Needy Families		93.558		68,427
Childcare Licensing Grant	GJG55	93.575		9,440
Foster Care Beds at Country Acres				
Title IV-E Foster Care Reimbursement	89XM5M5	93.658		22,869
Passed through the Florida Department of State				
Division of Elections				
FY 05 Polling Place Accessibility Grant		93.617		19,805
FY 06 Polling Place Accessibility Grant		93.617		14
Total Department of Health and Human Services				\$ 1,487,639
<b>DEPARTMENT OF AGRICULTURE:</b>				
Natural Resources Conservation Service				
Emergency Watershed Protection Program-Hurricane Wilma				
Margaret Street Seawall repair	69-4209-6-1652			\$ 5,640
Sisson Road culvert repair	69-4209-6-1656			12,852
Passed through the Florida Department of Agriculture and Consumer Services				
Urban and Community Forestry Grant	010323	10.664		8,197
Urban and Community Forestry Grant	009788	10.664		9,685
Passed through the Florida Department of Education				
Summer Food Service Program	04-0614	10.559		36,186
School Breakfast/Lunch Program	01-221	10.555		45,586
Total Department of Agriculture				\$ 118,146
<b>DEPARTMENT OF THE INTERIOR:</b>				
Fish and Wildlife Service				
Multi-Species Scrub Plant	401813G066	15.615		\$ 2,071

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2006

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>Federal Expenditures</i>
<b>DEPARTMENT OF HOMELAND SECURITY:</b>				
Major Disaster Relief				
Hurricane Frances	FEMA-DR-1545-FL	97.036		\$ 19,142
Hurricane Jeanne	FEMA-DR-1561-FL	97.036		1,426,954
Hurricane Wilma XF077	06-WL-&K-06-15-01-710	97.036		5,419,875
Passed through the Florida Department of Community Affairs				
Equipment Acquisitions	05-DS-2N-06-15-01-480	97.004	*	501,110
Homeland Security Initiatives	05DS-04-06-15-01-168	97.004	*	66,006
Enhanced Community Emergency Response Team (CERT)	05-CI-2P-06-15-10-286	97.004	*	8,379
WMD Haz Mat Equip. & Training (Subgrant with State Fire Marshall)	05-DS-2N-13-00-16-317 (FM 164 Proj. 13 & 14)	97.004	*	79,504
WMD Domestic Preparedness (Subgrant with State Fire Marshall)	06- DS-3W-05-52-16-318 (FM 223)	97.004	*	55,200
UASI (Urban Areas Securities Initiative)	05DS-2M-06-58-02-114	97.008	*	206,235
Emergency Management Preparedness and Assistance Grant (SLA)	06BG-04-06-15-01-059	97.042		61,189
Citizen Corps	06-CC-4K-06-15-01-140	97.067		10,302
Assistance to Firefighters - Fire Grant	EMW-2004-FG-21043	97.044		248,615
Passed through the Florida Department of Law Enforcement				
SWAT/Bomb Equipment (LETP)	2006-LETP-BREV-1-NI-038	97.004	*	130,961
Van and Satellite Communications	05-CJ-L2-05-15-01-065	97.004	*	9,888
Security Fencing	05-CJ-L2-05-15-01-167	97.004	*	27,000
Total Department of Homeland Security				<u>\$ 8,270,360</u>
<b>ELECTIONS ASSISTANCE COMMISSION:</b>				
Passed through Department of State Division of Elections				
Poll Worker Training		90.401		\$ 38,687
Voter Education		90.401		98,491
Total Elections Assistance Commission				<u>\$ 137,178</u>
<b>INSTITUTE OF MUSEUM AND LIBRARY SERVICES:</b>				
Passed through the Florida Department of State Division of Library and Information Services				
Read Around Florida - P.A.C.T. Time - PLUS	05-LSTA-D-03-A	45.310		<u>\$ 53,116</u>
<b>DEPARTMENT OF COMMERCE:</b>				
National Oceanic and Atmospheric Administration Coastal Impact Assistance Program	NA170Z2084	11.419		\$ 28,588
Passed through the Florida Department of Environmental Protection				
Barrier Island Cross-Section Display	NA04NOS4190035	11.419		50,000
Barrier Island Old A1A Boardwalk	NA03NOS4190079	11.419		50,000
				<u>\$ 128,588</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - PRIMARY GOVERNMENT				<u><u>\$ 21,762,544</u></u>

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2006

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>Federal Expenditures</i>
<b>COMPONENT UNITS</b>				
<b>DEPARTMENT OF HOMELAND SECURITY:</b>				
Major Disaster Relief				
Hurricane Wilma	06-WL-&K-06-15-01-710	97.036		<u>\$ 37,513</u>
<b>DEPARTMENT OF TRANSPORTATION:</b>				
Federal Aviation Administration				
Improvement Program				
SC East Ramp	312008001603	20.106		\$ 63,195
AD Master Plan	31201010102002	20.106		40,500
MI R/W & T/W Lights and Signs	31200130142005	20.106		297,902
MI T/W B Rehab	312001301203	20.106		<u>58,654</u>
Total Department of Transportation				<u>\$ 460,251</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - COMPONENT UNITS				<u>\$ 497,764</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY				<u>\$ 22,260,308</u>

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2006

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>State Expenditures</i>
<b>PRIMARY GOVERNMENT</b>				
<b>DEPARTMENT OF ENVIRONMENTAL PROTECTION:</b>				
Leaking Underground Storage Tanks	GC-621	37.024		\$ 492,294
Brevard County Shore Protection Project	99BE1	37.003		1,084
Beach Erosion	05BE1	37.003		235,210
Viera Regional Park	F40062	37.017	*	200,000
<b>HAZARDOUS WASTE MANAGEMENT:</b>				
Innovative Waste Reduction and Recycling	IG05-04	37.050		6,698
Total Department of Environmental Protection				<u>\$ 935,286</u>
<b>DEPARTMENT OF CHILDREN AND FAMILIES:</b>				
Office of Homelessness				
Homeless Assistance Challenge	GFZF6	60.014		\$ 100,000
Homeless Housing Grant	GFZ22	60.015		252,750
Parental Home	RGC0604	60.094	*	565,387
Grant in Aid	GF200	60.021		48,221
Total Department of Children and Families				<u>\$ 966,358</u>
<b>DEPARTMENT OF COMMUNITY AFFAIRS:</b>				
Max K Rodes Park	05-030-FF5	52.002	*	\$ 1,008,248
Emergency Management Preparedness and Assistance Grant (EMPA)	05BG-04-06-15-01-178	52.008	*	24,516
Emergency Management Preparedness and Assistance Grant (EMPA)	06BG-04-06-15-01-059	52.008	*	102,959
Hazardous Material Planning Assistance	05CP-11-06-15-01-045	52.023		2,633
Hazardous Material Planning Assistance	06CP-11-06-15-01-154	52.023		8,177
Total Department of Community Affairs				<u>\$ 1,146,533</u>
<b>DEPARTMENT OF STATE:</b>				
Division of Library and Information Services				
Library State Aid	06-ST-02	45.030	*	<u>\$ 792,432</u>
<b>DEPARTMENT OF HEALTH:</b>				
Emergency Medical Services County Trust	C5005	64.005		<u>\$ 29,368</u>
<b>DEPARTMENT OF ELDER AFFAIRS:</b>				
Community Care for the Elderly	CCP-SCAT-05-06	65.010		\$ 60,532
Community Care for the Elderly	CCP-SCAT-06-07	65.010		15,647
Total Department of Elder Affairs				<u>\$ 76,179</u>
<b>DEPARTMENT OF AGRICULTURE &amp; CONSUMER SERVICES:</b>				
Mosquito Control	DACS 009606	42.003		\$ 5,068
Rare Plant Survey	DACS 007336	42.009		221
Total Department of Agriculture & Consumer Services				<u>\$ 5,289</u>
<b>DEPARTMENT OF HIGHWAY SAFETY &amp; MOTOR VEHICLES:</b>				
Marine Turtle Education-Riverwalk	05-022E	76.070		<u>\$ 3,506</u>

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2006

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>State Expenditures</i>
<b>DEPARTMENT OF TRANSPORTATION:</b>				
Commuter Assistance	ANM60	55.007	*	\$ 124,369
Commuter Assistance	AOJ51	55.007	*	21,093
DOT BLOCK	AN105	55.010		1,227,148
SR A1A Trolley	AJ859	55.007	*	3,795
Transportation Disadvantaged Grant 06	AO197	55.001		971,998
Transportation Disadvantaged Planning Grant 06	AO318	55.002		26,714
Airport Master Plan	AOD09	55.004		13,129
Operational and Maintenance Security Req	AHN22	55.004		20,078
Transit Corridor Grant SR 520	AOE59	55.013	*	200,000
Fixed Route Bus Service SR A1A	AOE60	55.013	*	224,498
Total Department of Transportation				<u>\$ 2,832,822</u>
<b>FLORIDA HOUSING FINANCE CORPORATION:</b>				
Housing and Human Services Department				
State Housing Initiative Program Trust Fund	HS-007	52.901		\$ 1,262,248
Hurricane Housing Recovery Program		52.902	*	2,430,155
				<u>\$ 3,692,403</u>
<b>FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION</b>				
Lake Washington Boat Ramp	FWC 04141	77.006		<u>\$ 73,675</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - PRIMARY GOVERNMENT				<u>\$ 10,553,851</u>

BREVARD COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
SEPTEMBER 30, 2006

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CFDA/ CSFA Number</i>	<i>Pass-Through Entity ID Number</i>	<i>State Expenditures</i>
<b>COMPONENT UNITS</b>				
<b>DEPARTMENT OF TRANSPORTATION:</b>				
Transportation Systems Development				
AG805 (AD RPZ)	247376	55.004		\$ 138
AN320 (SC Beacon)	247368	55.004		40,439
AG938 (AD Beacon)	247380	55.004		43,103
ANW12 (AD Hurricane Repair)	418816	55.004		10,438
ANL64 (SC Infrastructure)	413151	55.004		136,422
ANL64 (SC Terminal Apron)	411943	55.004		18,549
AC296 (SC Security Project)	247174	55.004		7,157
ANW12 (SC Hurricane Repair)	418816	55.004		129,232
AL874 (SC Corp Terminal)	413150	55.004		255,332
ANL69 (SC Signage)	404923	55.004		7,865
AND11 (MI Security Fencing)	409786	55.004		33,085
AN319 (MI Facility Rehab)	409788	55.004		14,374
AO278 (MI R/W & T/W Lights and Signs)	409457	55.004		2,440
AN857 (MI T/W B Rehab)	410051	55.004		43,478
ANA83 (SC East Ramp)	409473	55.004		4,285
AL875 (MI Hangar Office)	247388	55.004		199,385
AN855 (MI Hurricane Repair)	415208	55.004		69,512
Transportation Outreach Program				
AM283 (SC Corp Terminal)	412988	55.022		1,497,309
Total Department of Transportation				\$ 2,512,543
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - REPORTING ENTITY				\$ 13,066,394

\* Designates major programs tested.

General:

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

Basis of Accounting:

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

BREVARD COUNTY, FLORIDA

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

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

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

Schedule Of Findings And Questioned Costs

Summary Schedule Of Prior Audit Findings

SEPTEMBER 30, 2006

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

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

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



BERMAN HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

Partners:

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

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

Board of County Commissioners  
Brevard County, Florida



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We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida as of and for the year ended September 30, 2006, which collectively comprise Brevard County, Florida's basic financial statements and have issued our report thereon dated March 23, 2007. We did not audit the financial statements of Titusville-Cocoa Airport Authority, Melbourne-Tillman Water Control District, and the Brevard County Housing Finance Authority, which collectively represent 95 percent, 95 percent and 84 percent, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units of Brevard County, Florida. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the above mentioned component units, is based solely on the reports of the other auditors. Accordingly, the above-mentioned component units are not covered by this report. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Brevard County, Florida's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of Brevard County, Florida and respective Constitutional Officers as an attachment to our Management Letter.

### Compliance and Other Matters

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

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

March 23, 2007  
Melbourne, Florida

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

BERMAN HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

**Partners:**

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

Board of County Commissioners  
Brevard County, Florida

Compliance



We have audited the compliance of Brevard County, Florida, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the requirements described in the State of Florida's *Executive Office of the Governor's (EOG) State Projects Compliance Supplement* that are applicable to each of its major federal programs and state projects for the year ended September 30, 2006. Brevard County, Florida's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state projects is the responsibility of Brevard County, Florida's management. Our responsibility is to express an opinion on Brevard County, Florida's compliance based on our audit.

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Brevard County, Florida's basic financial statements include the operations of the Titusville-Cocoa Airport Authority, which received \$497,764 in federal awards and \$2,512,543 in state financial assistance that is included in the schedule during the year ended September 30, 2006. Our audit, described below, did not include the operations of the Titusville-Cocoa Airport Authority because the component unit engaged other auditors to perform an audit in accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General.

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

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

In our opinion, Brevard County, Florida complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and state projects for the year ended September 30, 2006.

#### Internal Control Over Compliance

The management of Brevard County, Florida is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered Brevard County, Florida's internal control over compliance with requirements that could have a direct and material effect on a major federal program or state projects in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133, and Chapter 10.550, Rules of the Auditor General.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

March 23, 2007  
Melbourne, Florida

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

**BREVARD COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2006**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

Financial Statements

- |  |               |
|--|---------------|
| 1. Type of auditors' report issued:  | Unqualified   |
| 2. Internal control over financial reporting:  |               |
| a. Material weakness identified?   | No            |
| b. Reportable condition identified<br>that is not considered to be a<br>material weakness? | None reported |
| 3. Noncompliance material to financial<br>statements noted?                                | No            |

Federal Awards

- |   |               |
|---|---------------|
| 1. Type of auditors' report issued on compliance<br>for major programs:   | Unqualified   |
| 2. Internal control over major programs:  |               |
| a. Material weakness identified?  | No            |
| b. Reportable condition identified<br>that is not considered to be a<br>material weakness?                                  | None reported |
| 3. Any audit findings disclosed that are required<br>to be reported in accordance with section<br>510(a) of Circular A-133? | No            |
| 4. Dollar threshold used to distinguish between<br>type A and type B Programs   | \$652,876     |
| 5. Auditee qualified as a low-risk auditee?   | Yes           |

Identification of major programs:

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

**BREVARD COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2006**

Identification of major programs (continued):

<u>CFDA Number</u>	<u>Name of Program</u>
20.507	Department of Transportation Federal Transit
93.568	Department of Health and Human Services Low-Income Home Energy Assistance
97.004	Department of Homeland Security State Domestic Preparedness Equipment Support
97.008	Program Department of Homeland Security Urban Areas Security Initiative

State Financial Assistance

1. Type of auditors' report issued on compliance for major projects: Unqualified
2. Internal control over major projects:
  - a. Material weakness identified? No
  - b. Reportable condition identified that is not considered to be a material weakness? 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 \$316,616

Identification of major projects:

<u>CSFA Number</u>	<u>Name of Project</u>
45.030	Department of State Division of Library and Information Services Library State Aid
52.002	Department of Community Affairs Florida Forever Act
55.013	Department of Transportation Transit Corridor Program

**BREVARD COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2006**

Identification of major projects (continued):

<u>CSFA Number</u>	<u>Name of Project</u>
52.902	Florida Housing Finance Corp
60.094	Department of Health and Human Services Passed through the Florida Department of Children and Families – Foster Care Beds at Country Acres
37.017	Department of Environmental Protection Florida Recreational Development Assistance Program
52.008	Department of Community Affairs Emergency Management Programs
55.007	Department of Transportation Commuter Assistance / Ride Share Grant

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None reported

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

None reported

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

None reported

**Partners:**

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

**MANAGEMENT LETTER**

Board of County Commissioners  
Brevard County, Florida

We have audited the financial statements of Brevard County, Florida as of and for the fiscal year ended September 30, 2006, and have issued our report thereon dated March 23, 2007.



We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters, dated March 23, 2007, Report on Compliance With Requirements Applicable to Each Major Federal Program and State Project and on Internal Control Over Compliance, and Schedule of Findings and Questioned Costs, dated March 23, 2007. Disclosures in those reports and schedule should be considered in conjunction with this management letter.

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

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Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter. As required by the Rules of the Auditor General, we have performed separate audits of each of Brevard County's constitutional officers. The comments included in those separately issued reports should be considered in conjunction with this management letter.

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

The *Rules of the Auditor General* (Section 10.554(1)(h)2) require that we include a statement as to whether or not the Brevard County complied with Section 218.415, Florida Statutes, regarding the investment of public funds. Brevard County, Florida complied with Section 218.415, Florida Statutes, regarding the investment of public funds.



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

The *Rules of the Auditor General* (Section 10.554(1)(h)4) require disclosure in the management letter of the following matters if not already addressed in the auditors' reports on internal control and compliance or schedule of findings and questioned costs and are not clearly inconsequential: (1) Violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred and were discovered within the scope of the audit; (2) Improper or illegal expenditures discovered within the scope of the audit that may not materially affect the financial statements; (3) Deficiencies in internal control that are not reportable conditions, including but not limited to: (a) improper or inadequate accounting procedures (e.g. the omission of required disclosures from the annual financial statements); (b) Failures to properly record financial transactions; (c) Other inaccuracies, shortages and defalcations and instances of fraud, discovered by, or that come to the attention of the auditor. Our audit disclosed no matters required to be disclosed by *Rules of the Auditor General* (Sections 10.554(1)(h) 4) except as noted at item 06-06 in the attachment letter "Management Recommendations and Other Matters From Current Year."

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

As required by the *Rules of the Auditor General* (Section 10.554(1)(h)6.b.), we determined that the annual financial report for Brevard County, Florida for the fiscal year ended September 30, 2006, 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, 2006.

As required by the *Rules of the Auditor General* (Section 10.554(1)(h)6.a.), a statement must be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes. In connection with our audit, we determined that the Brevard County, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

As required by the *Rules of the Auditor General* (Sections 10.554(1)(h)6.c. and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

We appreciate the courteous and cooperative assistance received from Brevard County, Florida's personnel during the course of our audit.

March 23, 2007  
Melbourne, Florida

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

**Brevard County, Florida**

**MANAGEMENT RECOMMENDATIONS AND OTHER MATTERS FROM  
CURRENT YEAR**

**September 30, 2006**

Brevard County Board of County Commissioners

**06-01 Purchase Cards**

Brevard County Administrative Order 41 (AO-41) outlines policies regarding the use of purchasing cards. We tested a random sample of 40 transactions made throughout the year and noted the following:

- The policy requires County Manager's approval for purchases of bottled water. 4 of the transactions tested included purchases of bottled water with no documentation of required approval.
- The policy only permits gasoline purchases made during the course of overnight travel, outside the defined service areas or on an emergency basis. 1 transaction purchased gasoline from a local provider with no documentation of emergency.
- The policy considers purchases for utilities and memberships as "prohibited." 2 of the transactions included charges for prohibited items.
- Cardholders are not permitted to split purchases to stay under their single transaction limit. 2 of the transactions tested included split charges made on the same day at approximately the same time to stay within the transaction limits.

The individual transactions noted ranged from \$15 to \$1,161. Transactions tested appeared to be for public purpose and compliant with state statutes. However, the transactions identified above were clearly not compliant with the County's policy. We recommend the individual departments review the County's purchase card policy and establish steps to ensure that the required procedures are followed.

**06-02 Capital Asset Reconciliations**

The County is responsible for establishing and maintaining an accurate record of capital assets belonging to the County. The record should be reconciled periodically to capital outlay expenditures. Timely preparation and review of reconciliations and asset postings help ensure that County management has time to identify and resolve discrepancies to ensure that capital assets are reported correctly in the financial records.

#### 06-02 Capital Asset Reconciliations (continued)

During the course of our audit, we discovered approximately \$450,000 of errors in depreciation expense resulting from incorrect depreciation start dates entered into the SAP fixed asset module. The errors resulted from 1) departments with significant construction projects not communicating project completion dates in a timely manner and 2) depreciation start dates recorded based on invoice payment date as opposed to the date the assets were placed in service. In addition, developer donations were incorrectly reported in the correct period. Donations that should have been recorded in 2005 were recorded in 2006. Accordingly, a prior period adjustment of approximately \$5,500,000 was recorded. This adjustment resulted from a lack of timely communication between departments.

The problems and delays experienced by Asset Management and County Finance resulted in a significant delay in the performance of capital asset activity audit procedures. Lack of resources in Asset Management and untimely communication between departments prevented timely reconciliation and settling of capital construction projects resulting in depreciation errors and prior period adjustments.

We recommend the County establish steps to ensure timely communication between departments and the system for reviewing capital asset activity is reviewed for effectiveness to promote accuracy. We also recommend the County commit the resources necessary to eliminate the current backlog that is contributing to the delay in reconciling capital outlay expenditures.

#### 06-03 Timely Disbursements

Florida Statute 218.73 requires payment for all purchases by local governmental entities to be made in a timely manner.

During the year, controls were added to the County's system preventing the posting of payments in excess of available budgeted line-items. Thus, if an invoice for services rendered exceeds a department's available budgeted line-item, the invoice will not be paid until a budget change is approved and entered into the system. Delays in budgeting processes could holdup disbursements and affect the County's ability to comply with Florida Statutes.

We recommend the County evaluate the impact of budgetary controls and the effectiveness of budgetary processes on their ability to comply with Florida Statutes.

#### 06-04 Other Matters - Utility Services Department

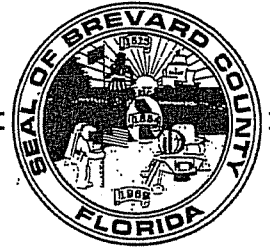
The Rules of the Auditor General (Section 10.554(1)(h)4(c)(3)) require disclosure in the management letter concerning instances of fraud, discovered by, or that come to the attention of the auditor.

During our audit, County management notified us of a cash misappropriation committed by an employee over the course of several months during the fiscal year ending September 30, 2006 totaling an estimated loss of \$15,000. The misappropriation occurred in a specialty enterprise within the Utility Services Department. For the year ended September 30, 2006, the specialty enterprise reported revenues of approximately \$300,000 for services rendered.

The following conditions in the enterprise provided the opportunity for the misappropriation of cash and exposed the enterprise to the heightened fraud risk:

- The majority of the collections for the enterprise are made by check (99%). However, it is believed one particular customer was required to make payments by cash or cashier's check after issuing a bad check several years ago.
- The same customer then fell behind on payments and made special arrangements to remit partial payments until cash flows improved.
- The employee who collected receipts also billed for the services provided and monitored old receivables.
- Additionally, billing records were not reconciled to plant records.

We recommend the County review the current procedures at the enterprise and establish controls to improve areas identified above.



OFFICE OF THE COUNTY MANAGER  
Brevard County Government Center, 2725 Judge Fran Jamieson Way, Bldg. C, Viera, FL 32940

Telephone: (321) 633-2001

July 31, 2007

Berman Hopkins Wright & LaHam CPAs, LLP  
320 Fortenberry Road  
Merritt Island, Florida 32952

Please find below Brevard County's responses to management comments 06-01 through 06-04 for the fiscal year audit ending September 30, 2006.

06-01 Purchase Cards

The Central Services Director, through the County Manager, will issue a memorandum to departments and offices reiterating purchasing card policies and procedures. Purchasing staff will highlight this issue during the annual training sessions.

06-02 Capital Asset Reconciliations

The Central Services Director, through the County Manager, will issue a memorandum to departments and offices reiterating capital asset reconciliations policies and procedures. Asset Management staff will highlight this issue during annual the training sessions.

In the current budget environment it will be extremely difficult for Asset Management to commit additional human resources; however staff will continue to review our policies and procedures to ensure compliance and timely reconciliation of assets.

06-03 Timely Disbursements

Budgetary controls within the County's financial system have been in place since 1999. These "hard-stops" are in place at the "rollup level" and not on each line item. County staff has reviewed this issue and believes that the budgetary controls that are in place are necessary and do not significantly impact the ability of departments and offices to comply with Prompt Payment requirements.

06-04 Other Matters – Utility Services Department

Utilities has been working to eliminate opportunities for similar fraud in the future. Additionally, this matter is currently being audited by the contracted Internal Auditors and process improvement and compliance recommendations will be shared with other enterprise agencies where applicable.

Sincerely,

A handwritten signature in cursive script that reads "Peggy Busacca".

PEGGY BUSACCA  
County Manager

SW:PAB:cc

cc: Stockton Whitten, Assistant County Manager  
Stephen Burdett, Director, Finance Department

SHERIFF



BREVARD COUNTY SHERIFF

SEPTEMBER 30, 2006

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CPAS AND ASSOCIATES, LLP

**Partners:**

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James S. LaHam  
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W. Ed Moss  
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Brian L. Nemeroff

**INDEPENDENT AUDITORS' REPORT**

Honorable Jack Parker  
Brevard County Sheriff  
Brevard County, Florida

We have audited the accompanying special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Sheriff, as of and for the year ended September 30, 2006, as listed in the table of contents. These special-purpose financial statements are the responsibility of the Brevard County Sheriff's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.



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

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As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. These special-purpose financial statements present only the financial position of the Brevard County Sheriff at September 30, 2006, and the changes in financial position for the year then ended, and is not intended to be a complete presentation of the County.

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 Brevard County Sheriff, as of September 30, 2006, and the changes in financial position and the respective budgetary comparison for the General, Special Law Enforcement District, Inmate Welfare, State Forfeiture, Special Law Enforcement Training Fund Second Dollar, Special Law Enforcement Training \$2.50, City of Cape Canaveral Law Enforcement, Port Canaveral Law Enforcement, Federal Forfeiture Department of Justice, and Federal Forfeiture Department of Treasury Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2007, on our consideration of the Brevard County Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

March 23, 2007  
Melbourne, Florida

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

**BREVARD COUNTY**

**SHERIFF**

**FUND FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2006**

## **BREVARD COUNTY SHERIFF**

General Fund - The General Fund is the general operating fund of the Sheriff. It is used to account for all financial resources except those required to be accounted for in another fund.

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

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

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

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.

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

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

Federal Forfeiture Department of Justice Special Revenue Fund - 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 Forfeiture Department of Treasury Special Revenue Fund - 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.

Civil Process Fee Deposits - to account for the collection and payment of civil process fee deposits held by the Sheriff's office.

Prisoner Deposits - to account for the collection and disbursement of cash held by the Sheriff's office for prisoners during the term of their incarceration.

BREVARD COUNTY SHERIFF  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<u>General</u>	<u>Special Law Enforcement District</u>
<b>ASSETS</b>		
Cash	\$ 5,927,538	\$ 759,050
Accounts receivable	47,543	0
Due from other funds	81,053	0
Due from charter officers	119,972	78,688
Due from other governmental units	225,623	53,534
Inventory of supplies	671,545	0
Total assets	<u>\$ 7,073,274</u>	<u>\$ 891,272</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Vouchers and contracts payable	\$ 1,202,220	\$ 61,370
Accrued wages and benefits payable	1,980,055	209,775
Due to other funds	0	0
Due to charter officers	3,139,178	620,127
Due to other governmental units	1,020	0
Deferred income	79,256	0
Total liabilities	<u>\$ 6,401,729</u>	<u>\$ 891,272</u>
<b>Fund balances:</b>		
Reserved for:		
Inventory	\$ 671,545	\$ 0
Other purposes	0	0
Total fund balances	<u>\$ 671,545</u>	<u>\$ 0</u>
Total liabilities and fund balances	<u>\$ 7,073,274</u>	<u>\$ 891,272</u>

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



<i>Inmate Welfare</i>	<i>State Forfeiture</i>	<i>Special Law Enforcement Training Fund Second Dollar</i>	<i>Special Law Enforcement Training \$2.50 Fund</i>	<i>City of Cape Canaveral Law Enforcement</i>
\$ 1,233,351	\$ 353,566	\$ 36,364	\$ 44,540	\$ 144,416
0	0	0	432	0
0	0	0	0	0
0	8,935	0	0	20,819
0	0	0	0	2,658
0	0	0	0	0
<u>\$ 1,233,351</u>	<u>\$ 362,501</u>	<u>\$ 36,364</u>	<u>\$ 44,972</u>	<u>\$ 167,893</u>
\$ 51,397	\$ 75,053	\$ 87	\$ 3,912	\$ 10,620
0	0	0	0	31,240
59,114	0	0	0	0
0	40,750	36,277	41,060	0
0	0	0	0	126,033
0	246,698	0	0	0
<u>\$ 110,511</u>	<u>\$ 362,501</u>	<u>\$ 36,364</u>	<u>\$ 44,972</u>	<u>\$ 167,893</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
1,122,840	0	0	0	0
<u>\$ 1,122,840</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>\$ 1,233,351</u>	<u>\$ 362,501</u>	<u>\$ 36,364</u>	<u>\$ 44,972</u>	<u>\$ 167,893</u>

BREVARD COUNTY SHERIFF  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<i>Port Canaveral Law Enforcement</i>	<i>Federal Forfeiture Department of Justice</i>
<b>ASSETS</b>		
Cash	\$ 500	\$ 178,946
Accounts receivable	0	0
Due from other funds	0	0
Due from charter officers	82,919	0
Due from other governmental units	0	0
Inventory of supplies	0	0
Total assets	<u>\$ 83,419</u>	<u>\$ 178,946</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Vouchers and contracts payable	\$ 7,245	\$ 53,983
Accrued wages and benefits payable	21,687	0
Due to other funds	21,939	0
Due to charter officers	0	0
Due to other governmental units	32,548	0
Deferred income	0	0
Total liabilities	<u>\$ 83,419</u>	<u>\$ 53,983</u>
<b>Fund balances:</b>		
Reserved for:		
Inventory	\$ 0	\$ 0
Other purposes	0	124,963
Total fund balances	<u>\$ 0</u>	<u>\$ 124,963</u>
Total liabilities and fund balances	<u>\$ 83,419</u>	<u>\$ 178,946</u>

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

<i>Federal Forfeiture Department of Treasury</i>	<i>Total</i>
\$ 185,029	\$ 8,863,300
0	47,975
0	81,053
0	311,333
0	281,815
0	671,545
<u>\$ 185,029</u>	<u>\$ 10,257,021</u>
\$ 16,173	\$ 1,482,060
0	2,242,757
0	81,053
0	3,877,392
0	159,601
0	325,954
<u>\$ 16,173</u>	<u>\$ 8,168,817</u>
\$ 0	\$ 671,545
168,856	1,416,659
<u>\$ 168,856</u>	<u>\$ 2,088,204</u>
<u>\$ 185,029</u>	<u>\$ 10,257,021</u>

BREVARD COUNTY SHERIFF  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>General</i>	<i>Special Law Enforcement District</i>
REVENUES		
Intergovernmental revenues	\$ 1,013,086	\$ 287,493
Charges for services	561,759	255,291
Fines and forfeits	0	0
Miscellaneous revenues	1,696,580	64,682
Total revenues	<u>\$ 3,271,425</u>	<u>\$ 607,466</u>
EXPENDITURES		
Public safety	\$ 64,971,917	\$ 12,713,440
Capital outlay	2,218,467	436,011
Total expenditures	<u>\$ 67,190,384</u>	<u>\$ 13,149,451</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (63,918,959)</u>	<u>\$ (12,541,985)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from charter officers	\$ 65,669,477	\$ 13,644,138
Transfers to charter officers	(1,945,228)	(1,126,517)
Transfers to other governmental units	0	0
Interfund transfers	59,114	0
Sale of fixed assets	135,596	24,364
Total other financing sources and uses	<u>\$ 63,918,959</u>	<u>\$ 12,541,985</u>
Net change in fund balances	\$ 0	\$ 0
Fund balances - beginning	779,502	0
Decrease in reserve for inventory of supplies	(107,957)	0
Fund balances - ending	<u><u>\$ 671,545</u></u>	<u><u>\$ 0</u></u>

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

<i>Inmate Welfare</i>	<i>State Forfeiture</i>	<i>Special Law Enforcement Training Fund Second Dollar</i>	<i>Special Law Enforcement Training \$2.50 Fund</i>	<i>City of Cape Canaveral Law Enforcement</i>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,805
0	0	0	0	17,206
0	0	0	0	0
870,820	0	0	0	932
<u>\$ 870,820</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 21,943</u>
\$ 757,910	\$ 245,614	\$ 57,723	\$ 148,940	\$ 1,962,838
2,871	260,693	0	0	207,962
<u>\$ 760,781</u>	<u>\$ 506,307</u>	<u>\$ 57,723</u>	<u>\$ 148,940</u>	<u>\$ 2,170,800</u>
<u>\$ 110,039</u>	<u>\$ (506,307)</u>	<u>\$ (57,723)</u>	<u>\$ (148,940)</u>	<u>\$ (2,148,857)</u>
\$ 0	\$ 538,122	\$ 94,000	\$ 190,000	\$ 2,274,890
0	(31,815)	(36,277)	(41,060)	0
0	0	0	0	(126,033)
(59,114)	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ (59,114)</u>	<u>\$ 506,307</u>	<u>\$ 57,723</u>	<u>\$ 148,940</u>	<u>\$ 2,148,857</u>
\$ 50,925	\$ 0	\$ 0	\$ 0	\$ 0
1,071,915	0	0	0	0
0	0	0	0	0
<u><u>\$ 1,122,840</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

BREVARD COUNTY SHERIFF  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Port Canaveral Law Enforcement</i>	<i>Federal Forfeiture Department of Justice</i>
REVENUES		
Intergovernmental revenues	\$ 0	\$ 0
Charges for services	0	0
Fines and forfeits	0	77,266
Miscellaneous revenues	0	10,941
Total revenues	<u>\$ 0</u>	<u>\$ 88,207</u>
EXPENDITURES		
Public safety	\$ 1,328,787	\$ 111,056
Capital outlay	82,984	10,580
Total expenditures	<u>\$ 1,411,771</u>	<u>\$ 121,636</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,411,771)</u>	<u>\$ (33,429)</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from charter officers	\$ 1,444,319	\$ 0
Transfers to charter officers	0	0
Transfers to other governmental units	(32,548)	0
Interfund transfers	0	0
Sale of fixed assets	0	0
Total other financing sources and uses	<u>\$ 1,411,771</u>	<u>\$ 0</u>
Net change in fund balances	\$ 0	\$ (33,429)
Fund balances - beginning	0	158,392
Increase in reserve for inventory of supplies	0	0
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 124,963</u></u>

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

<i>Federal Forfeiture Department of Treasury</i>	<i>Total</i>
\$ 0	\$ 1,304,384
0	834,256
298,784	376,050
21,565	2,665,520
<u>\$ 320,349</u>	<u>\$ 5,180,210</u>
\$ 36,372	\$ 82,334,597
189,803	3,409,371
<u>\$ 226,175</u>	<u>\$ 85,743,968</u>
<u>\$ 94,174</u>	<u>\$ (80,563,758)</u>
\$ 0	\$ 83,854,946
0	(3,180,897)
0	(158,581)
0	0
<u>0</u>	<u>159,960</u>
<u>\$ 0</u>	<u>\$ 80,675,428</u>
\$ 94,174	\$ 111,670
74,682	2,084,491
<u>0</u>	<u>(107,957)</u>
<u>\$ 168,856</u>	<u>\$ 2,088,204</u>

## BREVARD COUNTY SHERIFF

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<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	\$ 85,418	\$ 1,283,548	\$ 1,013,086	\$ (270,462)
Charges for services	666,703	768,057	561,759	(206,298)
Miscellaneous revenues	776,657	805,707	1,696,580	890,873
Total revenues	<u>\$ 1,528,778</u>	<u>\$ 2,857,312</u>	<u>\$ 3,271,425</u>	<u>\$ 414,113</u>
EXPENDITURES				
Public safety	\$ 64,266,846	\$ 66,212,568	\$ 64,971,917	\$ 1,240,651
Capital outlay	1,505,334	2,748,633	2,218,467	530,166
Total expenditures	<u>\$ 65,772,180</u>	<u>\$ 68,961,201</u>	<u>\$ 67,190,384</u>	<u>\$ 1,770,817</u>
Deficiency of revenues under expenditures	<u>\$ (64,243,402)</u>	<u>\$ (66,103,889)</u>	<u>\$ (63,918,959)</u>	<u>\$ 2,184,930</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 64,193,402	\$ 65,669,477	\$ 65,669,477	\$ 0
Transfers to charter officers	0	0	(1,945,228)	(1,945,228)
Interfund transfers	0	330,000	59,114	(270,886)
Sale of fixed assets	50,000	104,412	135,596	31,184
Total other financing sources and uses	<u>\$ 64,243,402</u>	<u>\$ 66,103,889</u>	<u>\$ 63,918,959</u>	<u>\$ (2,184,930)</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	779,502	779,502	779,502	0
Decrease in reserve for inventory of supplies	0	0	(107,957)	(107,957)
Fund balances - ending	<u><u>\$ 779,502</u></u>	<u><u>\$ 779,502</u></u>	<u><u>\$ 671,545</u></u>	<u><u>\$ (107,957)</u></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, 2006

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Intergovernmental revenues	\$ 225,351	\$ 232,675	\$ 287,493	\$ 54,818
Charges for services	85,000	85,000	255,291	170,291
Miscellaneous revenues	4,000	4,000	64,682	60,682
Total revenues	<u>\$ 314,351</u>	<u>\$ 321,675</u>	<u>\$ 607,466</u>	<u>\$ 285,791</u>
EXPENDITURES				
Public safety	\$ 12,871,005	\$ 12,877,229	\$ 12,713,440	\$ 163,789
Capital outlay	533,796	534,896	436,011	98,885
Total expenditures	<u>\$ 13,404,801</u>	<u>\$ 13,412,125</u>	<u>\$ 13,149,451</u>	<u>\$ 262,674</u>
Deficiency of revenues under expenditures	<u>\$ (13,090,450)</u>	<u>\$ (13,090,450)</u>	<u>\$ (12,541,985)</u>	<u>\$ 548,465</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 13,595,450	\$ 14,946,056	\$ 13,644,138	\$ (1,301,918)
Transfers to charter officers	(510,000)	(1,860,606)	(1,126,517)	734,089
Sale of fixed assets	5,000	5,000	24,364	19,364
Total other financing sources and uses	<u>\$ 13,090,450</u>	<u>\$ 13,090,450</u>	<u>\$ 12,541,985</u>	<u>\$ (548,465)</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

## BREVARD COUNTY SHERIFF

## INMATE WELFARE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Miscellaneous revenues	\$ 658,000	\$ 658,000	\$ 870,820	\$ 212,820
Total revenues	\$ 658,000	\$ 658,000	\$ 870,820	\$ 212,820
EXPENDITURES				
Public safety	\$ 658,000	\$ 658,000	\$ 757,910	\$ (99,910)
Capital outlay	0	0	2,871	(2,871)
Total expenditures	\$ 658,000	\$ 658,000	\$ 760,781	\$ (102,781)
Excess of revenues over expenditures	\$ 0	\$ 0	\$ 110,039	\$ 110,039
OTHER FINANCING SOURCES AND (USES)				
Interfund transfers	\$ 0	\$ (330,000)	\$ (59,114)	\$ 270,886
Total other financing sources and uses	\$ 0	\$ (330,000)	\$ (59,114)	\$ 270,886
Net change in fund balances	\$ 0	\$ (330,000)	\$ 50,925	\$ 380,925
Fund balances - beginning	1,071,915	1,071,915	1,071,915	0
Fund balances - ending	\$ 1,071,915	\$ 741,915	\$ 1,122,840	\$ 380,925

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

## BREVARD COUNTY SHERIFF

## STATE FORFEITURE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
EXPENDITURES				
Public safety	\$ 78,000	\$ 255,335	\$ 245,614	\$ 9,721
Intergovernmental	0	282,787	260,693	22,094
Total expenditures	\$ 78,000	\$ 538,122	\$ 506,307	\$ 31,815
Deficiency of revenues under expenditures	\$ (78,000)	\$ (538,122)	\$ (506,307)	\$ 31,815
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 78,000	\$ 538,122	\$ 538,122	\$ 0
Transfers to charter officers	0	0	(31,815)	(31,815)
Total other financing sources and uses	\$ 78,000	\$ 538,122	\$ 506,307	\$ (31,815)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0	\$ 0

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

BREVARD COUNTY SHERIFF  
SPECIAL LAW ENFORCEMENT TRAINING FUND SECOND DOLLAR  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<u>Budgeted Amounts</u>			<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
EXPENDITURES				
Public safety	\$ 12,000	\$ 94,000	\$ 57,723	\$ 36,277
Deficiency of revenues under expenditures	\$ (12,000)	\$ (94,000)	\$ (57,723)	\$ 36,277
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 12,000	\$ 94,000	\$ 94,000	\$ 0
Transfers to charter officers	0	0	(36,277)	(36,277)
Total other financing sources and uses	\$ 12,000	\$ 94,000	\$ 57,723	\$ (36,277)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

BREVARD COUNTY SHERIFF  
SPECIAL LAW ENFORCEMENT TRAINING \$2.50 FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
EXPENDITURES				
Public safety	\$ 190,000	\$ 190,000	\$ 148,940	\$ 41,060
Deficiency of revenues under expenditures	\$ (190,000)	\$ (190,000)	\$ (148,940)	\$ 41,060
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 190,000	\$ 190,000	\$ 190,000	\$ 0
Transfers to charter officers	0	0	(41,060)	(41,060)
Total other financing sources and uses	\$ 190,000	\$ 190,000	\$ 148,940	\$ (41,060)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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

BREVARD COUNTY SHERIFF  
CITY OF CAPE CANAVERAL LAW ENFORCEMENT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental revenues	\$ 0	\$ 0	\$ 3,805	\$ 3,805
Charges for services	0	26,341	17,206	(9,135)
Miscellaneous revenues	0	0	932	932
Total revenues	<u>\$ 0</u>	<u>\$ 26,341</u>	<u>\$ 21,943</u>	<u>\$ (4,398)</u>
EXPENDITURES				
Public safety	\$ 1,979,999	\$ 2,093,261	\$ 1,962,838	\$ 130,423
Capital outlay	148,080	227,119	207,962	19,157
Total expenditures	<u>\$ 2,128,079</u>	<u>\$ 2,320,380</u>	<u>\$ 2,170,800</u>	<u>\$ 149,580</u>
Deficiency of revenues under expenditures	<u>\$ (2,128,079)</u>	<u>\$ (2,294,039)</u>	<u>\$ (2,148,857)</u>	<u>\$ 145,182</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 2,128,079	\$ 2,294,039	\$ 2,274,890	\$ (19,149)
Transfers to other governmental units	0	0	(126,033)	(126,033)
Total other financing sources and uses	<u>\$ 2,128,079</u>	<u>\$ 2,294,039</u>	<u>\$ 2,148,857</u>	<u>\$ (145,182)</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
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

BREVARD COUNTY SHERIFF  
PORT CANAVERAL LAW ENFORCEMENT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
EXPENDITURES				
Public safety	\$ 1,389,692	\$ 1,361,400	\$ 1,328,787	\$ 32,613
Capital outlay	109,950	83,100	82,984	116
Total expenditures	<u>\$ 1,499,642</u>	<u>\$ 1,444,500</u>	<u>\$ 1,411,771</u>	<u>\$ 32,729</u>
Deficiency of revenues under expenditures	<u>\$ (1,499,642)</u>	<u>\$ (1,444,500)</u>	<u>\$ (1,411,771)</u>	<u>\$ 32,729</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 1,499,642	\$ 1,444,500	\$ 1,444,319	\$ (181)
Transfers to other governmental units	<u>0</u>	<u>0</u>	<u>(32,548)</u>	<u>(32,548)</u>
Total other financing sources and uses	<u>\$ 1,499,642</u>	<u>\$ 1,444,500</u>	<u>\$ 1,411,771</u>	<u>\$ (32,729)</u>
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

BREVARD COUNTY SHERIFF  
 FEDERAL FORFEITURE DEPARTMENT OF JUSTICE  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Fines and forfeits	\$ 0	\$ 0	\$ 77,266	\$ 77,266
Miscellaneous revenues	0	0	10,941	10,941
Total revenues	\$ 0	\$ 0	\$ 88,207	\$ 88,207
EXPENDITURES				
Public safety	\$ 0	\$ 0	\$ 111,056	\$ (111,056)
Capital outlay	0	0	10,580	(10,580)
Total expenditures	\$ 0	\$ 0	\$ 121,636	\$ (121,636)
Deficiency of revenues under expenditures	\$ 0	\$ 0	\$ (33,429)	\$ (33,429)
Net change in fund balances	\$ 0	\$ 0	\$ (33,429)	\$ (33,429)
Fund balances - beginning	158,392	158,392	158,392	0
Fund balances - ending	<u>\$ 158,392</u>	<u>\$ 158,392</u>	<u>\$ 124,963</u>	<u>\$ (33,429)</u>

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



BREVARD COUNTY SHERIFF  
FEDERAL FORFEITURE DEPARTMENT OF TREASURY  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>		<i>Actual Amount</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Fines and forfeits	\$ 0	\$ 0	\$ 298,784	\$ 298,784
Miscellaneous revenues	0	0	21,565	21,565
Total revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 320,349</u>	<u>\$ 320,349</u>
EXPENDITURES				
Public safety	\$ 0	\$ 0	\$ 36,372	\$ (36,372)
Capital outlay	0	0	189,803	(189,803)
Total expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 226,175</u>	<u>\$ (226,175)</u>
Excess of revenues over expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 94,174</u>	<u>\$ 94,174</u>
Net change in fund balances	\$ 0	\$ 0	\$ 94,174	\$ 94,174
Fund balances - beginning	<u>74,682</u>	<u>74,682</u>	<u>74,682</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 74,682</u></u>	<u><u>\$ 74,682</u></u>	<u><u>\$ 168,856</u></u>	<u><u>\$ 94,174</u></u>

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

BREVARD COUNTY SHERIFF  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2006

	<i>Agency Funds</i>
ASSETS	
Cash	\$ 64,015
LIABILITIES	
Due to employees, individuals, and others	\$ 64,015

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

BREVARD COUNTY SHERIFF  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 SEPTEMBER 30, 2006

	<i>Civil Process Fee Deposits</i>	<i>Prisoner Deposits</i>	<i>Total</i>
ASSETS			
Cash	<u>\$      47,135</u>	<u>\$      16,880</u>	<u>\$      64,015</u>
LIABILITIES			
Due to employees, individuals, and others	<u>\$      47,135</u>	<u>\$      16,880</u>	<u>\$      64,015</u>

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



BREVARD COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

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

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

These special-purpose financial statements are fund financial statements that have been prepared in conformity with reporting guidelines established by the Governmental Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The basic financial statements for the County as a whole, which includes the funds of the Sheriff, were prepared in conformity with accounting principles generally accepted in the United States (GAAP).

BREVARD COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

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

The Sheriff utilizes the following types:

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

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

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

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

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

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

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

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

BREVARD COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

The Sheriff also reports the following funds:

**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.

C. Budget

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

D. Interfund Receivables and Payables

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

E. Capital Assets

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

F. Inventory and Prepaid Items

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

G. Investments

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

H. Accrued Compensated Absences

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

The Sheriff accrued compensated absences were:

<u>Oct 1, 2005</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2006</u>
\$9,632,075	\$2,433,669	\$541,350	\$11,524,394

The accrued compensated absence liability due within one year is estimated at \$634,733.

I. Reserves of Fund Balances and Net Assets

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

J. Use of Estimates

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

BREVARD COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

2. Cash and Investments

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

The carrying amount of the Sheriff's deposits with financial institutions was \$8,771,264. 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.	\$9,458,063
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In addition \$140,077, which represents both book and market value, is invested with the State Board of Administration (SBA) reported as cash. The remaining represents \$15,975 cash on hand.

3. Capital Assets

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

Capital asset activity for the year ended September 30, 2006, was as follows:

	<u>Oct. 1, 2005</u>	<u>Prior Period Adjustment</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2006</u>
Governmental Activities:					
Operating machinery and equipment	\$27,076,610	\$ 0	\$3,340,863	\$3,820,753	\$26,596,720
Less accumulated depreciation	<u>16,878,705</u>	<u>146,696</u>	<u>2,979,920</u>	<u>3,600,597</u>	<u>16,404,724</u>
Total governmental activities capital assets, net	<u>\$10,197,905</u>	<u>\$(146,696)</u>	<u>\$ 360,943</u>	<u>\$ 220,156</u>	<u>\$10,191,996</u>

During an upgrade of the accounting system in fiscal year 2006, errors made in calculating depreciation for capital assets were corrected resulting in a prior period adjustment. The effect on the Sheriff's capital assets was an increase in accumulated depreciation of \$146,696. The adjustment has no impact on the balances reported in the Sheriff's fund financial statements. 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.

4. Leases

The Sheriff had no capital leases as of September 30, 2006.



BREVARD COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

The Sheriff is obligated under several operating lease agreements for storage and building facilities expiring between May 2007 and December 2030. The total cost for these leases was \$154,109 for the year ended September 30, 2006. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2007	\$177,056
2008	156,351
2009	154,519
2010	146,944
2011	<u>133,847</u>
Total minimum lease payable	<u>\$768,717</u>

The Sheriff is obligated under several operating lease agreements for office copiers and fax machines expiring between June 2007 and November 2011. Total cost for the leases was \$106,893 for the year ended September 30, 2006. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2007	\$ 125,589
2008	104,415
2009	80,411
2010	62,992
2011	<u>29,638</u>
Total minimum lease payable	<u>\$403,045</u>

The Sheriff is obligated under a noncancelable operating lease agreement for 911 equipment, software, service, and system maintenance through March 2007. Total cost for the lease was \$120,480 for the year ended September 30, 2006. The agency's 911 CAD system will be replaced and payments under this lease agreement will extend beyond March 2007. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2007	\$120,480
2008	<u>70,280</u>
Total minimum lease payable	<u>\$190,760</u>

BREVARD COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

5. Retirement

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

The Sheriff's contributions for the years ending September 30, 2006, 2005, and 2004, were \$7,103,418, \$6,109,235, and \$6,160,201, respectively, and equals the required contributions for each year. Contributions for the year ending September 30, 2006, represented 16.38% of covered payroll.

6. Deferred Compensation

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

7. Excess of Expenditures over Appropriations

Inmate Welfare Fund public safety and capital outlay expenditures exceeded appropriations by \$99,910 and \$2,871, respectively. Federal Forfeiture Department of Justice public safety and capital outlay expenditures exceeded appropriations by \$111,056 and \$10,580, respectively. Federal Forfeiture Department of Treasury public safety and capital outlay expenditures exceeded appropriations by \$36,372 and \$189,803, respectively.

8. Contingent Liabilities

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

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

9. Risk Management

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

BREVARD COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

10. Subsequent Events

On November 28, 2006, the Sheriff received a transfer totaling \$225,000 from the Board of County Commissioners to fund the Sheriff's portion of the joint construction project with the Titusville-Cocoa Airport Authority. The Board of County Commissioners funded the transfer by using commercial paper. The Sheriff has agreed to remit an annual transfer of \$16,000 to the Board of County Commissioners over a period of ten years beginning with fiscal year 2007 to partially repay the amount received. The Board will apply the \$16,000 to the commercial loan payment and fund the rest of the payments through County general operations.

On January 31, 2007, the Sheriff received a transfer totaling \$204,090 from the Board of County Commissioners to finance replacement of the Sheriff's computer aided dispatch system. The Board of County Commissioners funded the transfer by issuing commercial paper. The Sheriff has agreed to remit an annual transfer of \$80,695 to the Board of County Commissioners over a period of ten years with the first payment commencing in fiscal year 2007 to partially repay the amount received. The Sheriff will budget annually for the payment. The Board will apply the \$80,695 to the commercial loan payment.



# **BREVARD COUNTY**

## **SHERIFF**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE**

**AND OTHER MATTERS**

**BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH**

***GOVERNMENT AUDITING STANDARDS***



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



**MANAGEMENT LETTER**

**SEPTEMBER 30, 2006**

BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

Partners:

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

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

Honorable Jack Parker  
Brevard County Sheriff  
Brevard County, Florida



We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Sheriff, as of and for the year ended September 30, 2006, and have issued our report thereon dated March 23, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Brevard County Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Brevard County Sheriff's special-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of special-purpose 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*.

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However, we noted certain matters that we reported to the management of the Brevard County Sheriff, in a separate letter dated March 23, 2007.

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

March 23, 2007  
Melbourne, Florida

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

BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

Partners:

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

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH FEDERAL  
EQUITABLE SHARING GUIDELINES

Honorable Jack Parker  
Brevard County Sheriff  
Brevard County, Florida



We have audited the compliance of the Brevard County Sheriff with the types of compliance requirements described in the Department of the Treasury's *Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies* and the Department of Justice's *Guide to Equitable Sharing Federally Forfeited Property for State and Local Law Enforcement Agencies* that are applicable to each of its federal equitable sharing programs for the year ended September 30, 2006. Compliance with the requirements of laws, regulations, and guidelines applicable to federal equitable sharing programs is the responsibility of the Brevard County Sheriff's management. Our responsibility is to express an opinion on the Brevard County Sheriff's compliance based on our audit.

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

In our opinion, the Brevard County Sheriff complied, in all material respects, with the requirements referred to above that are applicable to each federal equitable sharing programs for the year ended September 30, 2006.

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

March 23, 2007  
Melbourne, Florida

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

BREVARD OFFICE

8035 Spyglass Hill Road  
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BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

Partners:

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

MANAGEMENT LETTER

Honorable Jack Parker  
Brevard County Sheriff  
Brevard County, Florida

We have audited the special-purpose financial statements of major fund and the aggregate remaining fund information of the Brevard County Sheriff as of and for the fiscal year ended September 30, 2006, and have issued our report thereon dated March 23, 2007.



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. We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters, dated March 23, 2007. Disclosures in that report should be considered in conjunction with this management letter.

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Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The *Rules of the Auditor General* (Section 10.554(1)(h)1) require that we comment as to whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

The *Rules of the Auditor General* (Section 10.554(1)(h)2) require that we include a statement as to whether or not the Brevard County Sheriff complied with Section 218.415, Florida Statutes, regarding the investment of public funds. The Brevard County Sheriff complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

The *Rules of the Auditor General* (Section 10.554(1)(h)3) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, such matters are noted in items 06-01 in the attachment to this letter. "Management Recommendations From Current Year."

The *Rules of the Auditor General* (Section 10.554(1)(h)4) require disclosure in the management letter of the following matters if not already addressed in the auditors' reports on internal control and compliance and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred; (2) improper or illegal expenditures; (3) deficiencies in internal control that are not reportable conditions, including but not limited to: (a) improper or inadequate accounting procedures (e.g. the omission of required disclosures from the annual financial statements); (b) failures to properly record financial transactions; (c) other inaccuracies, shortages and defalcations and instances of fraud, discovered by, or that come to the attention of the auditor. There were no such matters noted.

The *Rules of the Auditor General* (Section 10.554(1)(h)5) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Brevard County Sheriff was originally established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). There were no component units related to the Brevard County Sheriff.

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

March 23, 2007  
Melbourne, Florida

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

## **Brevard County Sheriff**

### **MANAGEMENT RECOMMENDATIONS FROM CURRENT YEAR**

**September 30, 2006**

#### **06-01 Purchase Cards**

During our audit, we tested a random sample of 25 procurement card transactions made throughout the year and noted the following:

- The Brevard County Sheriff's Office General Order 200.8 outlines policies regarding the use of procurement cards. The policy requires the cardholder to submit a reconciliation of expenses including receipts and/or purchase verification. One transaction tested did not have a receipt or purchase verification attached to the reconciliation report. Although the Central Logistics Unit was aware of the exception, there was no support that the cardholder was contacted about the instance.
- The Brevard County Sheriff's Office General Order 200.29 relating to meal reimbursement and travel prohibits charging meal expenses on procurement cards. Two of the transactions tested included charges for meal expenses. The Central Logistics Unit detected the transactions and required the cardholders to reimburse the Sheriff's Office for the prohibited charges.

The individual transactions noted ranged from \$7 to \$60. To prevent future instances of non-compliance, we recommend the individual departments review the Sheriff's procurement card policies and establish steps to ensure that the required procedures are followed.



# Sheriff J.R. "Jack" Parker

## BREVARD COUNTY SHERIFF'S OFFICE

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

Member  
Florida Sheriffs Association  
National Sheriffs Association



An Internationally Accredited  
Law Enforcement Agency

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

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

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

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

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

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

August 7, 2007

Honorable William O. Monroe, Auditor General  
State of Florida  
P.O. Box 1735  
Tallahassee, Florida 32301-1735

Re: Response to Auditors' Comments

Dear Sir:

In accordance with Section 11.45, Florida Statutes and Chapter 10.550, Rules of the Auditor General, the following is my response to the auditors' management comment for the fiscal year ended September 30, 2006.

### Comment 06-01 Purchase Cards

The Sheriff's Office agrees with the auditors' comment and will establish steps to ensure that the departments review the procurement card policies and that the required procedures are followed.

Sincerely,

  
J. R. "Jack" Parker  
Sheriff of Brevard County

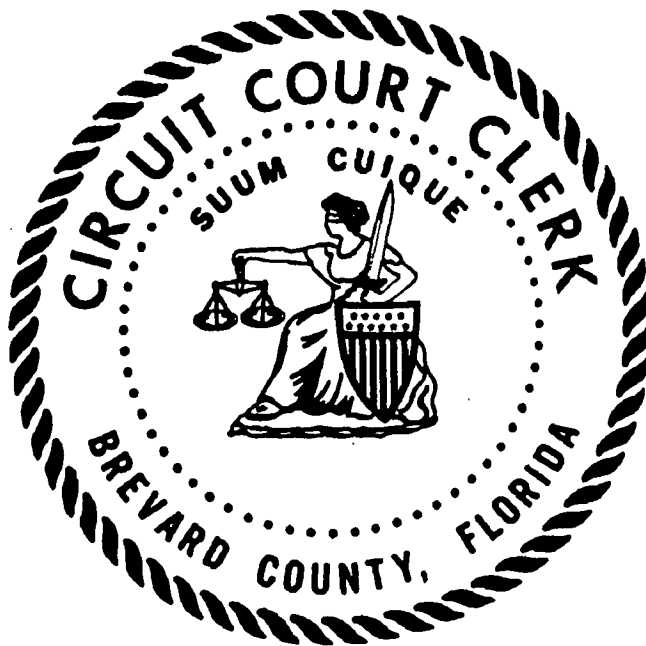
**CLERK  
OF THE  
CIRCUIT COURT**

BREVARD COUNTY CLERK OF THE CIRCUIT COURT

SEPTEMBER 30, 2006

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**Partners:**

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

**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Clerk of the Circuit Court, as of and for the year ended September 30, 2006, as listed in the table of contents. These special-purpose financial statements are the responsibility of the Brevard County Clerk of Circuit Court's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.



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

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As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. These special-purpose financial statements present only the financial position of the Brevard County Clerk of the Circuit Court at September 30, 2006, and the changes in financial position for the year then ended, and is not intended to be a complete presentation of Brevard County.

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 Brevard County Clerk of Circuit Court, as of September 30, 2006, and the changes in financial position and the respective budgetary comparison for the General, Public Records Modernization Trust, and Court Related Technology Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.



In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2007, on our consideration of the Brevard County Clerk of Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

March 23, 2007  
Melbourne, Florida

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

BREVARD COUNTY  
CLERK OF THE CIRCUIT COURT  
FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2006



General Fund - is used to account for all sources and uses of financial resources applicable to the general operations of the Brevard County Clerk of the Circuit Court. All general operating revenues, which are not restricted as to use, are recorded in the General Fund.

Public Records Modernization Trust Fund - 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 - to account for court related technology needs of the Clerk as defined in Section 29.008, Florida Statutes.

BREVARD COUNTY CLERK OF CIRCUIT COURT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<u>General</u>	<u>Records Modernization Trust</u>
<b>ASSETS</b>		
Cash	\$ 2,514,902	\$ 2,510,178
Accounts receivable	398	0
Due from other governmental units	28,865	0
Total assets	<u>\$ 2,544,165</u>	<u>\$ 2,510,178</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Vouchers and contracts payable	\$ 282,067	\$ 0
Accrued wages and benefits payable	737,238	0
Due to charter officers	93,706	0
Due to other governmental units	1,431,154	0
Total liabilities	<u>\$ 2,544,165</u>	<u>\$ 0</u>
Fund balances:		
Unreserved reported in:		
Special Revenue funds	\$ 0	\$ 2,510,178
Total liabilities and fund balances	<u>\$ 2,544,165</u>	<u>\$ 2,510,178</u>

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

<i>Court Related Technology</i>	<i>Total</i>
\$ 3,500,802	\$ 8,525,882
0	398
0	28,865
<u>\$ 3,500,802</u>	<u>\$ 8,555,145</u>
\$ 68,348	\$ 350,415
0	737,238
0	93,706
20,599	1,451,753
<u>\$ 88,947</u>	<u>\$ 2,633,112</u>
\$ 3,411,855	\$ 5,922,033
<u>\$ 3,500,802</u>	<u>\$ 8,555,145</u>

BREVARD COUNTY CLERK OF CIRCUIT COURT  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<u>General</u>	<u>Records Modernization Trust</u>
REVENUES		
Intergovernmental revenues	\$ 1,221,229	\$ 0
Charges for services	18,798,939	678,130
Miscellaneous revenues	1,446,696	40,549
Total revenues	<u>\$ 21,466,864</u>	<u>\$ 718,679</u>
EXPENDITURES		
General government	<u>\$ 23,677,332</u>	<u>\$ 0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,210,468)</u>	<u>\$ 718,679</u>
OTHER FINANCING SOURCES AND (USES)		
Transfers from charter officers	\$ 2,304,174	\$ 0
Transfers to charter officers	<u>(93,706)</u>	<u>0</u>
Total other financing sources and uses	<u>\$ 2,210,468</u>	<u>\$ 0</u>
Net change in fund balances	\$ 0	\$ 718,679
Fund balances - beginning	<u>0</u>	<u>1,791,499</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 2,510,178</u></u>

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

<i>Court Related Technology</i>	<i>Total</i>
\$ 0	\$ 1,221,229
2,098,684	21,575,753
123,453	1,610,698
<u>\$ 2,222,137</u>	<u>\$ 24,407,680</u>
<u>\$ 675,168</u>	<u>\$ 24,352,500</u>
<u>\$ 1,546,969</u>	<u>\$ 55,180</u>
\$ 0	\$ 2,304,174
0	(93,706)
<u>\$ 0</u>	<u>\$ 2,210,468</u>
\$ 1,546,969	\$ 2,265,648
1,864,886	3,656,385
<u>\$ 3,411,855</u>	<u>\$ 5,922,033</u>

## BREVARD COUNTY CLERK OF CIRCUIT COURT

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<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	\$ 2,779,983	\$ 2,779,983	\$ 1,221,229	\$ (1,558,754)
Charges for services	16,448,531	20,015,372	18,798,939	(1,216,433)
Miscellaneous revenues	149,400	149,400	1,446,696	1,297,296
Total revenues	<u>\$ 19,377,914</u>	<u>\$ 22,944,755</u>	<u>\$ 21,466,864</u>	<u>\$ (1,477,891)</u>
EXPENDITURES				
General government	<u>\$ 20,311,500</u>	<u>\$ 23,700,000</u>	<u>\$ 23,677,332</u>	<u>\$ 22,668</u>
Deficiency of revenues under expenditures	<u>\$ (933,586)</u>	<u>\$ (755,245)</u>	<u>\$ (2,210,468)</u>	<u>\$ (1,455,223)</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from charter officers	\$ 2,316,458	\$ 2,316,458	\$ 2,304,174	\$ (12,284)
Transfers to charter officers	<u>0</u>	<u>0</u>	<u>(93,706)</u>	<u>(93,706)</u>
Total other financing sources and uses	<u>\$ 2,316,458</u>	<u>\$ 2,316,458</u>	<u>\$ 2,210,468</u>	<u>\$ (105,990)</u>
Net change in fund balances	<u>\$ 1,382,872</u>	<u>\$ 1,561,213</u>	<u>\$ 0</u>	<u>\$ (1,561,213)</u>
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 1,382,872</u></u>	<u><u>\$ 1,561,213</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (1,561,213)</u></u>

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

## BREVARD COUNTY CLERK OF CIRCUIT COURT

## RECORDS MODERNIZATION TRUST

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Charges for services	\$ 360,000	\$ 360,000	\$ 678,130	\$ 318,130
Miscellaneous revenues	2,500	2,500	40,549	38,049
Total revenues	<u>\$ 362,500</u>	<u>\$ 362,500</u>	<u>\$ 718,679</u>	<u>\$ 356,179</u>
EXPENDITURES				
General government	\$ 1,894,375	\$ 1,894,375	\$ 0	\$ 1,894,375
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,531,875)</u>	<u>\$ (1,531,875)</u>	<u>\$ 718,679</u>	<u>\$ 2,250,554</u>
Net change in fund balances	<u>\$ (1,531,875)</u>	<u>\$ (1,531,875)</u>	<u>\$ 718,679</u>	<u>\$ 2,250,554</u>
Fund balances - beginning	<u>1,791,499</u>	<u>1,791,499</u>	<u>1,791,499</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 259,624</u></u>	<u><u>\$ 259,624</u></u>	<u><u>\$ 2,510,178</u></u>	<u><u>\$ 2,250,554</u></u>

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



BREVARD COUNTY CLERK OF CIRCUIT COURT  
COURT RELATED TECHNOLOGY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

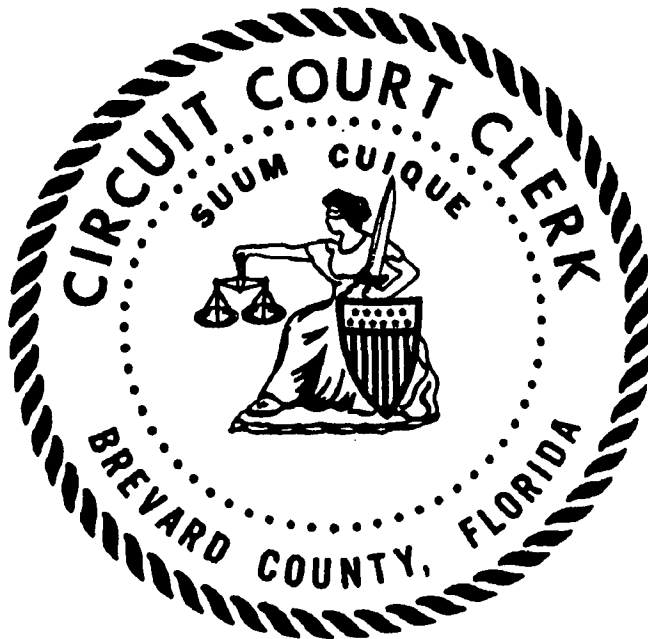
	<i>Budgeted Amounts</i>			<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual Amount</i>	
REVENUES				
Charges for services	\$ 1,308,369	\$ 1,308,369	\$ 2,098,684	\$ 790,315
Miscellaneous revenues	0	0	123,453	123,453
Total revenues	<u>\$ 1,308,369</u>	<u>\$ 1,308,369</u>	<u>\$ 2,222,137</u>	<u>\$ 913,768</u>
EXPENDITURES				
General government	\$ 1,773,100	\$ 676,600	\$ 675,168	\$ 1,432
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (464,731)</u>	<u>\$ 631,769</u>	<u>\$ 1,546,969</u>	<u>\$ 915,200</u>
Net change in fund balances	\$ (464,731)	\$ 631,769	\$ 1,546,969	\$ 915,200
Fund balances - beginning	<u>1,864,886</u>	<u>1,864,886</u>	<u>1,864,886</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 1,400,155</u></u>	<u><u>\$ 2,496,655</u></u>	<u><u>\$ 3,411,855</u></u>	<u><u>\$ 915,200</u></u>

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

BREVARD COUNTY CLERK OF CIRCUIT COURT  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2006

	<i>Agency Funds</i>
ASSETS	
Cash	\$ 17,177,617
Accounts receivable	140,802
Investments	<u>1,529,772</u>
Total assets	<u>\$ 18,848,191</u>
LIABILITIES	
Due to employees, individuals, and others	\$ 767,961
Due to other governmental units	3,987,525
Escrow and refundable deposits	<u>14,092,705</u>
Total liabilities	<u>\$ 18,848,191</u>

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



BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

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

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

These special-purpose financial statements are fund financial statements that have been prepared in conformity with reporting guidelines established by the Government Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The basic financial statements for the County as a whole which includes the funds of the Clerk, were prepared in conformity with accounting principles generally accepted in the United States (GAAP).

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

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

The Clerk utilizes the following funds:

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

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

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

**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.

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, 2005</u>	<u>Prior Period Adjustment</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2006</u>
Governmental Activities:					
Operating machinery and equipment	\$3,185,992	\$ 0	\$775,956	\$168,760	\$3,793,188
Less accumulated depreciation	<u>1,594,355</u>	<u>(25,859)</u>	<u>437,932</u>	<u>137,923</u>	<u>1,868,505</u>
Total governmental activities capital assets, net	<u>\$1,591,637</u>	<u>\$ 25,859</u>	<u>\$338,024</u>	<u>\$ 30,837</u>	<u>\$1,924,683</u>

During an upgrade of the accounting system in fiscal year 2006, errors made in calculating depreciation for capital assets were corrected resulting in a prior period adjustment. The effect on the Clerk's capital assets was a decrease in accumulated depreciation of \$25,859. The adjustment has no impact on the balances reported in the Clerk's fund financial statements. Capital assets used by the Clerk's operations are

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

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

E. Investments

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

F. Accrued Compensated Absences

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

The Clerk of Circuit Court accrued compensated absences were:

<u>Oct 1, 2005</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2006</u>
\$1,855,657	\$375,437	\$131,179	\$2,099,915

The accrued compensated absence liability due within one year is estimated at \$132,008.

G. Reserves of Fund Balances and Net Assets

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

H. Use of Estimates

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

2. Cash and Investments

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

The carrying amount of the Clerk's deposits with financial institutions was \$19,014,981, and the bank balance was \$21,579,043. 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.	\$21,579,043
--	--------------

The remaining balance classified as cash in the amount of \$6,682,347, which represents both book and market value, is invested with the State Board of Administration (SBA).

The \$1,529,772 investment balance, accounted for in the Agency Funds consists of Certificates of Deposit. The remaining represents cash on hand.

BREVARD COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

3. Deferred Compensation

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

4. Retirement

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

The Clerk's contributions for the years ending September 30, 2006, 2005, and 2004 were \$1,149,235, \$1,007,768, and \$954,232, respectively, and equals the required contributions for each year. Contributions for the year ending September 30, 2006, represented 8.54% of covered payroll.

5. Risk Management

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

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

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE**

**AND OTHER MATTERS**

**BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH**

***GOVERNMENT AUDITING STANDARDS***



**MANAGEMENT LETTER**



**MANAGEMENT'S RESPONSE LETTER**

**SEPTEMBER 30, 2006**



BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

**Partners:**

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

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

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



We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Clerk of the Circuit Court, as of and for the year ended September 30, 2006, and have issued our report thereon dated March 23, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Brevard County Clerk of the Circuit Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Brevard County Clerk of the Circuit Court's special-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of special-purpose 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*.

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However, we noted certain matters that we reported to management of the Brevard County Clerk of the Circuit Court, in a separate letter dated March 23, 2007.

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

March 23, 2007  
Melbourne, Florida

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

BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

Partners:

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

MANAGEMENT LETTER

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

We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Clerk of the Circuit Court as of and for the year ended September 30, 2006, and have issued our report thereon dated March 23, 2007.



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. We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters, dated March 23, 2007. Disclosures in that report should be considered in conjunction with this management letter.

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Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The *Rules of the Auditor General* (Section 10.554(1)(h)1) require that we comment as to whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective action has been taken to address matters noted in preceding annual financial reports except for the item noted in the attachment to this letter "Management Recommendations."

The *Rules of the Auditor General* (Section 10.554(1)(h)2) require that we include a statement as to whether or not the Brevard County Clerk of the Circuit Court complied with Section 218.415, Florida Statutes, regarding the investment of public funds. The Brevard County Clerk of the Circuit Court complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

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

The *Rules of the Auditor General* (Section 10.554(1)(h)4) require disclosure in the management letter of the following matters if not already addressed in the auditors' reports on internal control and compliance and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred; (2) improper or illegal expenditures; (3) deficiencies in internal control that are not reportable conditions, including but not limited to: (a) improper or inadequate accounting procedures (e.g. the omission of required disclosures from the annual financial statements); (b) failures to properly record financial transactions; (c) other inaccuracies, shortages and defalcations and instances of fraud, discovered by, or that come to the attention of the auditor. There were no such matters noted.

The *Rules of the Auditor General* (Section 10.554(1)(h)5) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Brevard County Clerk of the Circuit Court was originally established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). There were no component units related to the Brevard County Clerk of the Circuit Court.

As required by Rules of the Auditor General (Section 10.554(1)(h)7), the scope of our audit included a review of the provisions of Section 28.35, Florida Statutes, regarding the budget and performance standards certified by the Florida Clerk of Courts Operations Corporation. In connection with our audit, we determined that the Brevard County Clerk of the Circuit Court complied with the budget and performance standards pursuant to Section 28.35, Florida Statutes.

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

March 23, 2007  
Melbourne, Florida

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

**Brevard County Clerk of the Circuit Court**

**MANAGEMENT RECOMMENDATIONS**

**September 30, 2006**

**Prior Year Comments Repeated**

**06-1 Multiple Software Systems**

A comprehensive software system is important to many organizations in order to operate efficiently and reduce risk associated with errors and controls. Such a system would allow operational users to input data that would result in the automatic creation of a financial general ledger.

Currently, the Clerk of the Circuit Court (Clerk) utilizes several operational software systems to carry out the duties of the Clerk's office. A separate software system, using reports generated from operational systems, summarizes revenues and agency liabilities, and automates the accounts payable function. Using several non-integrated systems is not efficient and increases the risk of errors and the potential avoidance of controls.

We recommend that the Clerk interface the existing software systems, if possible, or continue to search for a system that will accomplish all of the tasks required by the Clerk's office, including the production of an automated general ledger.



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

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

*Telephone (321) 637-2002 Fax (321) 225-3051*

<http://www.brevardclerk.us>

**Scott Ellis, Clerk**

**May 25, 2007**

Honorable William O. Monroe, Auditor General  
State of Florida  
Claude Denson Pepper Bldg.,  
111 West Madison Street,  
Tallahassee, Florida 32399-1450

Re: Response to Auditor's 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 planned.

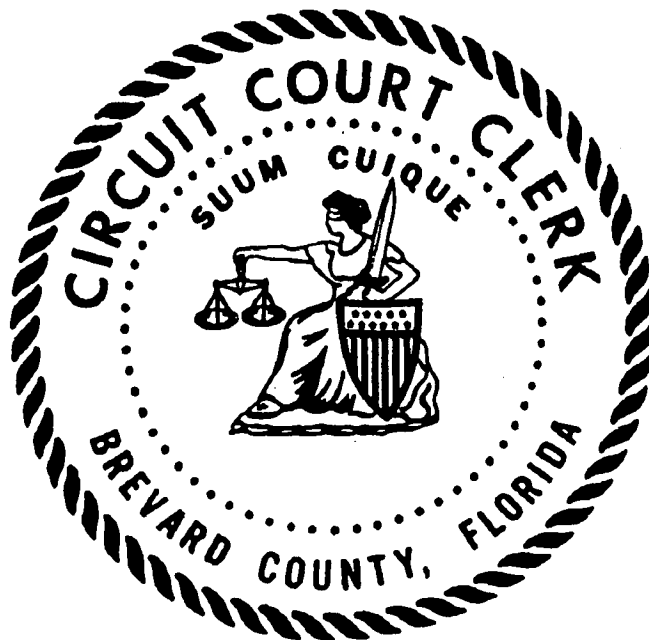
Finding 06-1 Multiple Software Systems:

The Clerk's Office has implemented a new records management system which includes the official records, marriage licenses, passports, and tax deed sales processes. This system will unify the entire Recording Department's function, streamlining this section creating a one-stop application for all of their duties. The Clerk's Office continues to investigate an alternative for the Court's management system, but we are still unable to find a completely integrated and tested system which is Florida compliant.

Very truly yours,

Scott Ellis  
Clerk of Courts

SE/mmcd



TAX

COLLECTOR



BREVARD COUNTY TAX COLLECTOR

SEPTEMBER 30, 2006

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BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

**Partners:**

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

**INDEPENDENT AUDITORS' REPORT**

Honorable Rod Northcutt  
Brevard County Tax Collector  
Brevard County, Florida

We have audited the accompanying special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Tax Collector, as of and for the year ended September 30, 2006, as listed in the table of contents. These special-purpose financial statements are the responsibility of the Brevard County Tax Collector's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.



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

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As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. These special-purpose financial statements present only the financial position of the Brevard County Tax Collector at September 30, 2006, and the changes in financial position for the year then ended, and is not intended to be a complete presentation of the County.

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 Brevard County Tax Collector, as of September 30, 2006, and the changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2007, on our consideration of the Brevard County Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

March 23, 2007  
Melbourne, Florida

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

**BREVARD COUNTY**  
**TAX COLLECTOR**  
**FUND FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2006**

## BREVARD COUNTY

### TAX COLLECTOR

General Fund - is used to account for all sources and uses of financial resources applicable to the general operations of the Brevard County Tax Collector. All general operating revenues, which are not restricted as to use, are recorded in the General Fund.

Tax Agency Fund - to account for the collection and distribution of taxes to municipalities, special districts, and the Board of County Commissioners.

Tag Agency Fund - to account for monies associated with the sale of state license plates, in accordance with Chapter 320, Florida Statutes.

BREVARD COUNTY TAX COLLECTOR  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<u>General</u>
ASSETS	
Cash	\$ 2,008,202
Due from charter officers	<u>26,052</u>
Total assets	<u><u>\$ 2,034,254</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Vouchers and contracts payable	\$ 40,095
Due to charter officers	1,883,398
Due to other governmental units	<u>110,761</u>
Total liabilities	<u>\$ 2,034,254</u>
Fund balance	<u>\$ 0</u>
Total liabilities and fund balance	<u><u>\$ 2,034,254</u></u>

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

BREVARD COUNTY TAX COLLECTOR  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<u>General</u>
REVENUES	
Charges for services	\$ 13,471,416
Miscellaneous revenues	146,595
Total revenues	<u>\$ 13,618,011</u>
EXPENDITURES	
General government	<u>\$ 9,738,456</u>
Excess of revenues over expenditures	<u>\$ 3,879,555</u>
OTHER FINANCING USES	
Transfers to charter officers and other governmental units	<u>\$ (3,879,555)</u>
Total other financing uses	<u>\$ (3,879,555)</u>
Net change in fund balances	<u>\$ 0</u>
Fund balance - beginning	<u>\$ 0</u>
Fund balance - ending	<u><u>\$ 0</u></u>

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



## BREVARD COUNTY TAX COLLECTOR

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<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	\$ 13,502,340	\$ 13,449,840	\$ 13,471,416	\$ 21,576
Miscellaneous revenues	105,300	196,500	146,595	(49,905)
Total revenues	<u>\$ 13,607,640</u>	<u>\$ 13,646,340</u>	<u>\$ 13,618,011</u>	<u>\$ (28,329)</u>
EXPENDITURES				
General government	<u>\$ 8,955,996</u>	<u>\$ 9,738,471</u>	<u>\$ 9,738,456</u>	<u>\$ 15</u>
Excess of revenues over expenditures	<u>\$ 4,651,644</u>	<u>\$ 3,907,869</u>	<u>\$ 3,879,555</u>	<u>\$ (28,314)</u>
OTHER FINANCING USES				
Transfers to charter officers and other governmental units	<u>\$ (4,651,644)</u>	<u>\$ (3,907,869)</u>	<u>\$ (3,879,555)</u>	<u>\$ 28,314</u>
Total other financing uses	<u>\$ (4,651,644)</u>	<u>\$ (3,907,869)</u>	<u>\$ (3,879,555)</u>	<u>\$ 28,314</u>
Net change in fund balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - beginning	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

BREVARD COUNTY TAX COLLECTOR  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2006

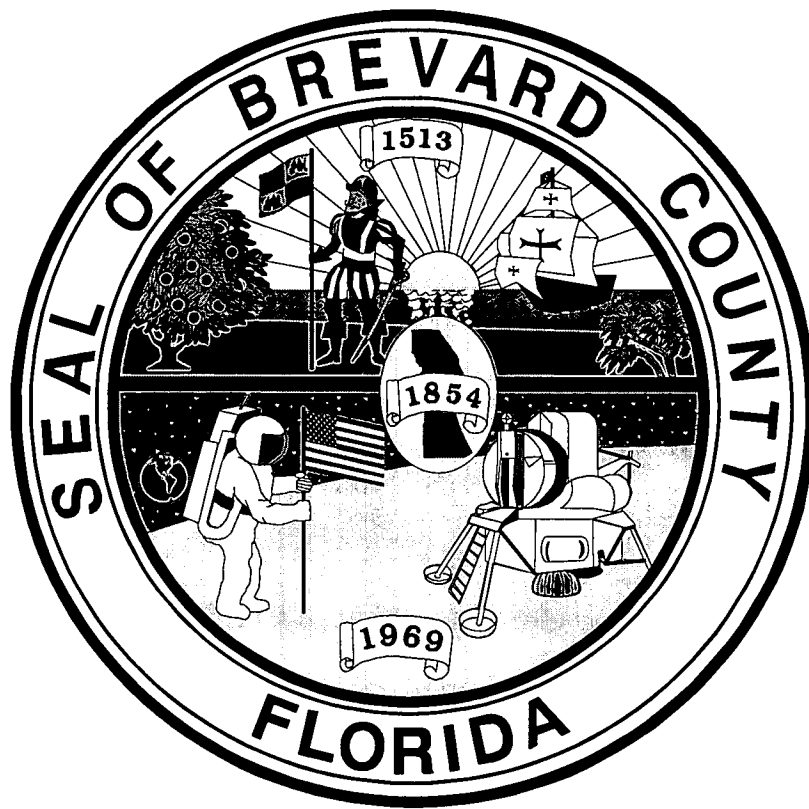
	<i>Agency Funds</i>
ASSETS	
Cash	\$ 8,474,569
Accounts receivable	115,886
Due from other governmental units	349
Total assets	<u>\$ 8,590,804</u>
LIABILITIES	
Due to employees, individuals, and others	\$ 406,715
Due to other governmental units	1,839,222
Prepaid taxes	6,344,867
Total liabilities	<u>\$ 8,590,804</u>

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

BREVARD COUNTY TAX COLLECTOR  
 COMBINING STATEMENT OF NET ASSETS  
 FIDUCIARY FUNDS  
 SEPTEMBER 30, 2006

	<i>Tag Agency</i>	<i>Tax Agency</i>	<i>Total</i>
ASSETS			
Cash	\$ 558,555	\$ 7,916,014	\$ 8,474,569
Accounts receivable	64,295	51,591	115,886
Due from other governmental units	295	54	349
Total assets	<u>\$ 623,145</u>	<u>\$ 7,967,659</u>	<u>\$ 8,590,804</u>
LIABILITIES			
Due to employees, individuals, and others	\$ 2,305	\$ 404,410	\$ 406,715
Due to other governmental units	620,840	1,218,382	1,839,222
Prepaid taxes	0	6,344,867	6,344,867
Total liabilities	<u>\$ 623,145</u>	<u>\$ 7,967,659</u>	<u>\$ 8,590,804</u>

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



BREVARD COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

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

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

These special-purpose financial statements are fund financial statements that have been prepared in conformity with reporting guidelines established by the Government Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The basic financial statements for the County as a whole, which includes the funds of the Tax Collector, were prepared in conformity with accounting principles generally accepted in the United States (GAAP).

BREVARD COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

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

The Tax Collector utilizes the following fund types:

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

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

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, 2005</u>	<u>Prior Period Adjustments</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2006</u>
Governmental Activities:					
Operating machinery and equipment	\$1,851,822	\$ 0	\$148,091	\$73,943	\$1,925,970
Less accumulated depreciation	<u>739,420</u>	<u>49,934</u>	<u>231,192</u>	<u>68,625</u>	<u>951,921</u>
Total governmental activities capital assets, net	<u>\$1,112,402</u>	<u>\$(49,934)</u>	<u>\$(83,101)</u>	<u>\$ 5,318</u>	<u>\$ 974,049</u>

During an upgrade of the accounting system in fiscal year 2006, errors made in calculating depreciation for capital assets were corrected resulting in a prior period adjustment. The effect on the Tax Collector's capital assets was an increase in accumulated depreciation of \$49,934. The adjustment has no impact on the balances reported in the Tax Collector's fund financial statements. Capital assets used by the Tax Collector's operations are recorded in the governmental fund types as expenditures at the time assets are received and a liability is incurred. Purchased assets are capitalized at historical cost in the government-wide financial statements of the County.

E. Investments

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

BREVARD COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

F. Accrued Compensated Absences

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

The Tax Collector accrued compensated absences were:

<u>Oct 1, 2005</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2006</u>
\$696,625	\$96,897	\$76,452	\$717,070

The accrued compensated absence due within one year is estimated at \$86,918.

G. Reserves of Fund Balances

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

H. Use of Estimates

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

2. Cash and Investments

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

The carrying amount of the Tax Collector's deposits with financial institutions was \$2,775,430, and the bank balance was \$2,570,204. 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. \$2,570,204

The remaining balance classified as cash in the amount of \$7,707,341 is broken down as follows: \$14,200 in the Petty Cash/Change Funds and \$7,693,141, which represents both book and market value, is invested with the State Board of Administration (SBA).

3. Deferred Compensation

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

4. Retirement

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

BREVARD COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

The Tax Collector's contributions for the years ending September 30, 2006, 2005, and 2004 were \$450,221, \$375,767, and \$369,101, respectively, and equals the required contributions for each year. Contributions for the year ending September 30, 2006, represented 8.80% of covered payroll.

5. Leases

The Tax Collector is obligated under a noncancelable operating lease for office equipment through May 2009. Total cost for the year ended September 30, 2006, was \$58,811. The future minimum lease payment is as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2007	\$ 43,186
2008	42,222
2009	<u>22,697</u>
Total	<u>\$108,105</u>

The Tax Collector leases three office facilities under noncancelable operating leases. Total costs for the leases were \$157,818 for the year ended September 30, 2006. The known future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2007	\$ 181,164
2008	205,739
2009	210,218
2010	191,651
2011	150,166
2012	155,288
2013	128,536
2014	68,952
2015	<u>71,720</u>
Total	<u>\$1,363,434</u>

6. Risk Management

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



**BREVARD COUNTY**  
**TAX COLLECTOR**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE**

**AND OTHER MATTERS**

**BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH**

***GOVERNMENT AUDITING STANDARDS***



**MANAGEMENT LETTER**

**SEPTEMBER 30, 2006**

BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

**Partners:**

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

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

Honorable Rod Northcutt  
Brevard County Tax Collector  
Brevard County, Florida



We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Tax Collector, as of and for the year ended September 30, 2006, and have issued our report thereon dated March 23, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Brevard County Tax Collector's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Brevard County Tax Collector's special-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of special-purpose 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*.

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Winter Park, FL 32789

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fax: 407.644.6022

However, we noted certain matters that we reported to the management of the Brevard County Tax Collector, in a separate letter dated March 23, 2007.

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

March 23, 2007  
Melbourne, Florida

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

BERMAN HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

Partners:

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

MANAGEMENT LETTER

Honorable Rod Northcutt  
Brevard County Tax Collector  
Brevard County, Florida

We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Brevard County Tax Collector as of and for the fiscal year ended September 30, 2006, and have issued our report thereon dated March 23, 2007.



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. We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters, dated March 23, 2007. Disclosures in that report should be considered in conjunction with this management letter.

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Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The *Rules of the Auditor General* (Section 10.554(1)(h)1) require that we comment as to whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

The *Rules of the Auditor General* (Section 10.554(1)(h)2) require that we include a statement as to whether or not the Brevard County Tax Collector complied with Section 218.415, Florida Statutes, regarding the investment of public funds. The Brevard County Tax Collector complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

The *Rules of the Auditor General* (Section 10.554(1)(h)3) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, such matters are noted in items 06-01 in the attachment to this letter. "Management Recommendations From Current Year."

The *Rules of the Auditor General* (Section 10.554(1)(h)4) require disclosure in the management letter of the following matters if not already addressed in the auditors' reports on internal control and compliance and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred; (2) improper or illegal expenditures; (3) deficiencies in internal control that are not reportable conditions, including but not limited to: (a) improper or inadequate accounting procedures (e.g. the omission of required disclosures from the annual financial statements); (b) failures to properly record financial transactions; (c) other inaccuracies, shortages and defalcations and instances of fraud, discovered by, or that come to the attention of the auditor. There were no such matters noted.

The *Rules of the Auditor General* (Section 10.554(1)(h)5) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Brevard County Tax Collector was originally established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). There were no component units related to the Brevard County Tax Collector.

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

March 23, 2007  
Melbourne, Florida

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

## **Brevard County Tax Collector**

### **MANAGEMENT RECOMMENDATIONS FROM CURRENT YEAR**

**September 30, 2006**

#### **06-01 Policy Documentation and Dissemination to Employees**

During the audit, it came to our attention that some employees were not familiar with various policies. These included travel reimbursements and retirement benefits where certain aspects of these particular policies were not documented but rather communicated verbally.

We recommend that all policies be clearly communicated in writing in the employee handbook and policies manual. We also recommend that employees be required to sign an acknowledgement form at inception of employment to ensure communication is disseminated to all employees. In addition, as significant changes in policies occur, we recommend a document be prepared to highlight and summarize any significant changes that have been modified in the current handbook or policies manual.



ROD NORTHCUTT, C.F.C., C.P.M.  
CERTIFIED FLORIDA COLLECTOR - CERTIFIED PUBLIC MANAGER

# BREVARD COUNTY

## OFFICE OF THE TAX COLLECTOR

400 South Street, 6th Floor  
Post Office Box 2500, Titusville, FL 32781-2500  
Telephone (321) 264-6930, Fax (321) 264-6919  
TDD# (321) 690-6888

July 20, 2007

Honorable William O. Monroe, Auditor General  
State of Florida  
P.O. Box 1735  
Tallahassee, FL 32301-1735

RE: Response to Auditor's Comments

Dear Sir:

In accordance with Section 11.45, Florida Statutes, and Chapter 10.550, Rules of the Auditor General, attached is a written statement of explanation or rebuttal concerning the auditor's comments for the fiscal year ended September 30, 2006.

### Finding 06-01 Policy Documentation and Dissemination to Employees

The Tax Collector's Office agrees with this finding and will ensure that all policies are clearly communicated in writing in the employee handbook and policies manual. We will also have employees sign an acknowledgement form at inception of employment to ensure communication is disseminated to all employees.

Sincerely,

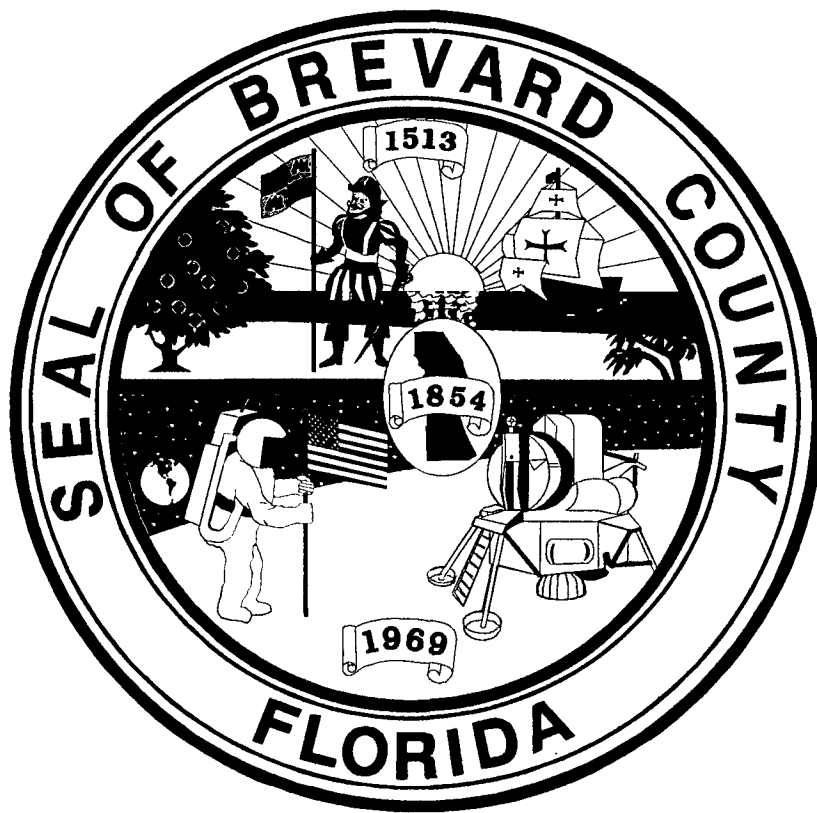
A handwritten signature in black ink, appearing to read "Rod Northcutt".

Rod Northcutt, CFC, CPM  
Brevard County Tax Collector

RN/bs

#### BRANCH OFFICES:

1515 Sarno Road, Melbourne, Florida 32935 - 1450 N. Courtenay Parkway, Merritt Island, Florida 32953  
Rockledge Square Shopping Center, 1840 S. U.S. 1, Rockledge, Florida 32955  
240 E. Eau Gallie Blvd., Indian Harbour Beach, Florida 32937  
2050 Eldron Blvd, SE, Palm Bay, Florida 32905  
700 Park Ave., Titusville, Florida 32780





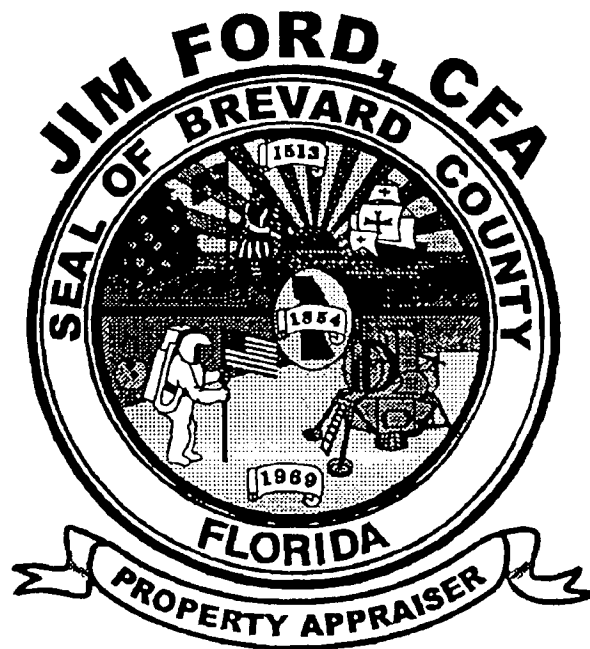
# PROPERTY APPRAISER

BREVARD COUNTY PROPERTY APPRAISER

SEPTEMBER 30, 2006

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BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

**Partners:**

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

**INDEPENDENT AUDITORS' REPORT**

Honorable Jim Ford  
Brevard County Property Appraiser  
Brevard County, Florida

We have audited the accompanying special-purpose financial statements of the major fund of the Brevard County Property Appraiser, as of and for the year ended September 30, 2006, as listed in the table of contents. These special-purpose financial statements are the responsibility of the Brevard County Property Appraiser's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.



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

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As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. These special-purpose financial statements present only the financial position of the Brevard County Property Appraiser at September 30, 2006, and the changes in financial position for the year then ended, and is not intended to be a complete presentation of the County.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of the Brevard County Property Appraiser, as of September 30, 2006, and the changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2007, on our consideration of the Brevard County Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

March 23, 2007  
Melbourne, Florida

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

BREVARD COUNTY  
PROPERTY APPRAISER

**FUND FINANCIAL STATEMENTS**

SEPTEMBER 30, 2006

BREVARD COUNTY  
PROPERTY APPRAISER

General Fund - is used to account for all sources and uses of financial resources applicable to the general operations of the Brevard County Property Appraiser. All general operating revenues, which are not restricted as to use, are recorded in the General Fund.

BREVARD COUNTY PROPERTY APPRAISER  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<i>General</i>
ASSETS	
Cash	\$ 191,748
Prepaid expenses	<u>150,443</u>
Total assets	<u><u>\$ 342,191</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 42,392
Accrued compensation	2,088
Deferred revenue	83,377
Due to Board and Constitutional Officers	125,709
Due to other governmental units	<u>4,398</u>
Total liabilities	<u>\$ 257,964</u>
Fund balance and reserves	
Reserve for prepaid items	\$ 150,443
Fund deficit	<u>(66,216)</u>
Net reserves and fund deficit	<u>\$ 84,227</u>
Total liabilities and fund balance	<u><u>\$ 342,191</u></u>

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



BREVARD COUNTY PROPERTY APPRAISER  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<u>General</u>
REVENUES	
Charges for services	\$ 824,363
Miscellaneous revenues	56,769
Total revenues	<u>\$ 881,132</u>
EXPENDITURES	
General government	<u>\$ 10,436,484</u>
Deficiency of revenues under expenditures	<u>\$ (9,555,352)</u>
OTHER FINANCING SOURCES AND (USES)	
Transfers from Board and Constitutional Officers	<u>\$ 9,555,352</u>
Total other financing sources and uses	<u>\$ 9,555,352</u>
Net change in fund balance	<u>\$ 0</u>
Fund balance - beginning	\$ 10,893
Increase in reserve for prepaids	73,334
Fund balance - ending	<u><u>\$ 84,227</u></u>

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

## BREVARD COUNTY PROPERTY APPRAISER

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<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	\$ 336,235	\$ 352,239	\$ 824,363	\$ 472,124
Miscellaneous revenues	0	0	56,769	56,769
Total revenues	\$ 336,235	\$ 352,239	\$ 881,132	\$ 528,893
EXPENDITURES				
General government	\$ 9,641,182	\$ 10,033,713	\$ 10,436,484	\$ (402,771)
Deficiency of revenues under expenditures	\$ (9,304,947)	\$ (9,681,474)	\$ (9,555,352)	\$ 126,122
OTHER FINANCING SOURCES AND (USES)				
Transfers from Board and Constitutional Officers	\$ 9,304,947	\$ 9,681,474	\$ 9,555,352	\$ (126,122)
Total other financing sources and uses	\$ 9,304,947	\$ 9,681,474	\$ 9,555,352	\$ (126,122)
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balance - beginning	10,893	10,893	10,893	0
Increase in reserve for prepaids	73,334	73,334	73,334	0
Fund balance - ending	\$ 84,227	\$ 84,227	\$ 84,227	\$ 0

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

BREVARD COUNTY PROPERTY APPRAISER  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

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

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

BREVARD COUNTY PROPERTY APPRAISER  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

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

These special-purpose financial statements are fund financial statements that have been prepared in conformity with reporting guidelines established by the Government Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The basic financial statements for the County as a whole, which includes the funds of the Property Appraiser, were prepared in conformity with accounting principles generally accepted in the United States (GAAP).

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

The Property Appraiser utilizes the following fund type:

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

C. Budget

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

D. Prepaid Items

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

E. Capital Assets

Refer to Note 1. F. in the County-wide Financial Statements. Capital asset activity for the year ended September 30, 2006 was as follows:

	<u>Oct. 1, 2005</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2006</u>
Governmental Activities:				
Operating machinery and equipment	\$1,473,994	\$ 136,778	\$184,311	\$1,426,461
Less accumulated depreciation	<u>731,002</u>	<u>249,130</u>	<u>177,102</u>	<u>803,030</u>
Total governmental activities capital assets, net	<u>\$ 742,992</u>	<u>\$(112,352)</u>	<u>\$ 7,209</u>	<u>\$ 623,431</u>

F. Investments

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

BREVARD COUNTY PROPERTY APPRAISER  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

G. Accrued Compensated Absences

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

The Property Appraiser accrued compensated absences were:

<u>Oct 1, 2005</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2006</u>
<u>\$779,447</u>	<u>\$145,379</u>	<u>\$51,479</u>	<u>\$873,347</u>

The beginning accrued compensated absences balance is restated from prior year ending in the amount of \$98,253 to include fringe benefits that were excluded from prior years disclosed balances. The restatement does not impact the fund balance reported in the prior year.

Accrued compensated absence liability due within one year is estimated at \$62,000.

H. Reserves of Fund Balances and Net Assets

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

I. Use of Estimates

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

2. Comparison of Expenditures to Appropriations

Expenditures exceeded appropriations in the General Fund by \$402,771 as a result of mapping expenses. The Property Appraiser receives funding from the Board of County Commissioners to provide field data collections in support of County programs. During the year, actual revenue for mapping services totaled \$472,124 and is included in charges for services. The Florida Department of Revenue does not require that these revenues or expenditures be budgeted. When excluding mapping related amounts, the actual charges for services equal the final budgeted amounts and the actual general government expenditures are \$50,277 less than the final budgeted amounts.

3. Fund Deficit

The general fund reported a deficit fund balance of \$66,216 at September 30, 2006. The deficit fund balance is the result of the application of accounting principles generally accepted in the United States of America. The Board of County Commissioners provides advances to cover deficit fund balances; however, this is done when cash is needed rather than when accruals occur.

BREVARD COUNTY PROPERTY APPRAISER  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

4. Cash

Refer to Note 4 in the County-wide Financial Statements.

The carrying amount of the Property Appraiser's deposits with financial institutions was \$191,748, and the bank balance was \$197,272. 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.	\$197,272
---	-----------

5. Deferred Compensation

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

6. Retirement

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

The Property Appraiser's contributions for the years ending September 30, 2006, 2005, and 2004 were \$541,503, \$444,507, and \$450,440 respectively, and equal the required contributions for each year. Contributions for the year ending September 30, 2006, represented 8.74% of covered payroll.

7. Leases

The Property Appraiser is obligated under an operating lease agreement for office equipment and vehicles through the year 2010. Total cost for the lease was \$35,723 for the year ended September 30, 2006. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2007	\$ 38,427
2008	35,075
2009	29,131
2010	<u>9,714</u>
Total	<u><u>\$ 112,347</u></u>

8. Risk Management

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

**BREVARD COUNTY**  
**PROPERTY APPRAISER**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE**

**AND OTHER MATTERS**

**BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH**

***GOVERNMENT AUDITING STANDARDS***



**MANAGEMENT LETTER**



**MANAGEMENT'S RESPONSE LETTER**

**SEPTEMBER 30, 2006**

BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

**Partners:**

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

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

Honorable Jim Ford  
Brevard County Property Appraiser  
Brevard County, Florida

We have audited the special-purpose financial statements of the major fund of the Brevard County Property Appraiser, as of and for the year ended September 30, 2006, and have issued our report thereon dated March 23, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.



Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Brevard County Property Appraiser's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Brevard County Property Appraiser's special-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of special-purpose financial statement amounts.

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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*.

However, we noted certain matters that we reported to management of the Brevard County Property Appraiser, in a separate letter dated March 23, 2007.

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

March 23, 2007  
Melbourne, Florida

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

BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

Partners:

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

MANAGEMENT LETTER

Honorable Jim Ford  
Brevard County Property Appraiser  
Brevard County, Florida

We have audited the special-purpose financial statements of the major fund of the Brevard County Property Appraiser as of and for the fiscal year ended September 30, 2006, and have issued our report thereon dated March 23, 2007.



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. We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters, dated March 23, 2007. Disclosures in that report should be considered in conjunction with this management letter.

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Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

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

The *Rules of the Auditor General* (Section 10.554(1)(h)2) require that we include a statement as to whether or not the Brevard County Property Appraiser complied with Section 218.415, Florida Statutes, regarding the investment of public funds. The Brevard County Property Appraiser complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

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

The *Rules of the Auditor General* (Section 10.554(1)(h)4) require disclosure in the management letter of the following matters if not already addressed in the auditors' reports on internal control and compliance and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred; (2) improper or illegal expenditures; (3) deficiencies in internal control that are not reportable conditions, including but not limited to: (a) improper or inadequate accounting procedures (e.g. the omission of required disclosures from the annual financial statements); (b) failures to properly record financial transactions; (c) other inaccuracies, shortages and defalcations and instances of fraud, discovered by, or that come to the attention of the auditor. Such matters are noted in the attachment letter "Management Recommendations From Current Year."

The *Rules of the Auditor General* (Section 10.554(1)(h)5) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Brevard County Property Appraiser was originally established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). There were no component units related to the Brevard County Property Appraiser.

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

March 23, 2007  
Melbourne, Florida

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

## **Brevard County Property Appraiser**

### **MANAGEMENT RECOMMENDATIONS FROM CURRENT YEAR**

**September 30, 2006**

#### **06-1 Closing Procedure Checklist**

A closing procedure checklist for the year end closing will ensure a more timely and accurate financial report. Utilization of such a schedule would allow management to assign and track the various functions of the financial statement preparation.

During our audit, an adjustment totaling \$7,345 was posted to record two deposits identified on the September bank reconciliation that were not recorded in the general ledger. Additionally, other audit entries were proposed and posted during the audit process which could have been detected prior to the audit through the use of an annual closing checklist.

We believe the year-end closing could proceed more quickly by developing a closing schedule that indicates who will perform each procedure and when completion of each procedures is due and accomplished. The procedures should include a review of transactions for completeness, reconciliation of all general ledger accounts, and posting of any adjustments necessary to properly record all transactions under the modified accrual basis of accounting.

#### **06-2 Cash Receipts and Petty Cash**

The Property Appraiser collects and uses fees collected for petty cash type expenditures as needed. Cash receipts and monies collected should be deposited and recorded on a more frequent basis.

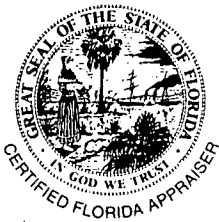
While performing audit procedures, an entry totaling \$1,432 was posted to record revenues and expenditures related to the Mapping and Property Appraiser Information System (PAIS) departments.

The Property Appraiser is in the process of developing written policies for cash receipts and petty cash. We encourage the Property Appraiser to include in these policies procedures for tracking all cash receipts and require regular deposits regardless of the amount of funds collected. Additionally, these policies should include procedures detailing the use of petty cash funds, procedures for replenishing the fund and assign responsibility for the funds to an employee other than a cashier responsible for the cash receipts collection.

**JIM FORD, CFA**

**PROPERTY APPRAISER**

**BREVARD COUNTY, FLORIDA**



www.brevardpropertyappraiser.com

P.O. BOX 429 • TITUSVILLE, FL 32781-0429 • PHONE (321) 264-6700 • FAX (321) 264-5187

August 13, 2007

Honorable William O. Monroe  
Auditor General, State of Florida  
P O Box 1735  
Tallahassee, Fl. 32301-1735

Regarding: Response to Auditors' Comments

Dear Sir:

In accordance with Section 11.45, Florida Statutes and Chapter 10.550, Rules of the Auditor General, the following is my response to the auditors' management comments for the fiscal year ended September 30, 2006.

Comment 06-1 Closing Procedures Checklist

The Property Appraiser's Office agrees with the auditors' comment and will utilize a "closing procedures checklist" beginning with the close of the fiscal year ending September 30, 2007. With the assistance of the auditors, the checklist is under development at this time.

Comment 06-2 Cash Receipts and Petty Cash Procedures

The Property Appraiser's Office agrees with the auditors' comment and has developed written procedures for both petty cash and cash receipts management. These procedures will be implemented as soon as an unrelated reorganization is complete and training in a number of branch offices can be conducted.

Sincerely;

A handwritten signature in black ink, appearing to read "Jim Ford".

**Jim Ford, CFA**  
**Brevard County Property Appraiser**

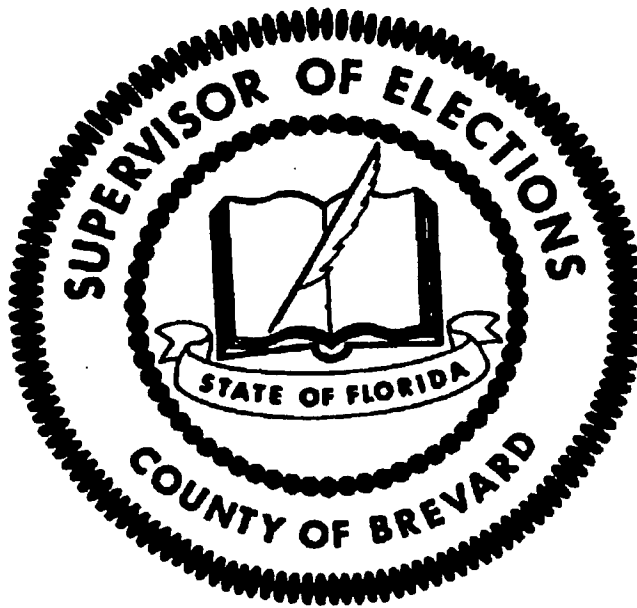
# **SUPERVISOR OF ELECTIONS**

BREVARD COUNTY SUPERVISOR OF ELECTIONS

SEPTEMBER 30, 2006

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BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

Partners:

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Philip J. Hayes  
Brian L. Nemeroff

INDEPENDENT AUDITORS' REPORT

Honorable Fred D. Galey  
Brevard County Supervisor of Elections  
Brevard County, Florida

We have audited the accompanying special-purpose financial statements of the major fund of the Brevard County Supervisor of Elections, as of and for the year ended September 30, 2006, as listed in the table of contents. These special-purpose financial statements are the responsibility of the Brevard County Supervisor of Elections' management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.



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

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As discussed in Note 1, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the Rules of the Auditor General, State of Florida, and are not intended to be a complete presentation under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. These special-purpose financial statements present only the financial position of the Brevard County Supervisor of Elections at September 30, 2006, and the changes in financial position for the year then ended, and is not intended to be a complete presentation of the County.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of the Brevard County Supervisor of Elections, as of September 30, 2006, and the changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2007, on our consideration of the Brevard County Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

March 23, 2007  
Melbourne, Florida

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

**BREVARD COUNTY**  
**SUPERVISOR OF ELECTIONS**  
**FUND FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2006**

BREVARD COUNTY  
SUPERVISOR OF ELECTIONS

General Fund - is used to account for all sources and uses of financial resources applicable to the general operations of the Brevard County Supervisor of Elections. All general operating revenues, which are not restricted as to use, are recorded in the General Fund.

BREVARD COUNTY SUPERVISOR OF ELECTIONS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2006

	<u>General</u>
ASSETS	
Cash	\$ 639,760
Due from other governmental units	875
Accrued interest receivable	<u>2,917</u>
Total assets	<u>\$ 643,552</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Vouchers and contracts payable	\$ 74,012
Accrued wages and benefits payable	28,899
Deferred income	69,880
Due to charter officers	<u>470,761</u>
Total liabilities	<u>\$ 643,552</u>
Fund balance	<u>\$ 0</u>
Total liabilities and fund balance	<u>\$ 643,552</u>

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

BREVARD COUNTY SUPERVISOR OF ELECTIONS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<i>General</i>
REVENUES	
Intergovernmental revenues	\$ 146,922
Charges for services	176,820
Miscellaneous revenues	<u>67,297</u>
Total revenues	<u>\$ 391,039</u>
EXPENDITURES	
General government	<u>\$ 3,266,577</u>
Deficiency of revenues under expenditures	<u>\$ (2,875,538)</u>
OTHER FINANCING SOURCES	
Transfers from charter officers	<u>\$ 2,875,538</u>
Net change in fund balance	\$ 0
Fund balance - beginning	<u>0</u>
Fund balance - ending	<u><u>\$ 0</u></u>

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

## BREVARD COUNTY SUPERVISOR OF ELECTIONS

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<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	\$ 103,416	\$ 239,710	\$ 146,922	\$ (92,788)
Charges for services	156,300	249,209	176,820	(72,389)
Miscellaneous revenues	10,000	10,000	67,297	57,297
Total revenues	<u>\$ 269,716</u>	<u>\$ 498,919</u>	<u>\$ 391,039</u>	<u>\$ (107,880)</u>
EXPENDITURES				
General government	<u>\$ 3,588,001</u>	<u>\$ 3,831,978</u>	<u>\$ 3,266,577</u>	<u>\$ 565,401</u>
Deficiency of revenues under expenditures	<u>\$ (3,318,285)</u>	<u>\$ (3,333,059)</u>	<u>\$ (2,875,538)</u>	<u>\$ 457,521</u>
OTHER FINANCING SOURCES				
Transfers from charter officers	<u>\$ 3,331,525</u>	<u>\$ 3,346,299</u>	<u>\$ 2,875,538</u>	<u>\$ (470,761)</u>
Net change in fund balances	<u>\$ 13,240</u>	<u>\$ 13,240</u>	<u>\$ 0</u>	<u>\$ (13,240)</u>
Fund balances - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 13,240</u></u>	<u><u>\$ 13,240</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (13,240)</u></u>

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

BREVARD COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

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

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

These special-purpose financial statements are fund financial statements that have been prepared in conformity with reporting guidelines established by the Government Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The basic financial statements for the County as a whole, which includes the fund of the Supervisor of Elections, were prepared in conformity with accounting principles generally accepted in the United States (GAAP).



BREVARD COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

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

The Supervisor of Elections utilizes the following fund type:

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

C. Budget

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

D. Capital Assets

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

	<u>Oct. 1, 2005</u>	<u>Prior Period Adjustment</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2006</u>
Governmental Activities:					
Operating machinery and equipment	\$2,634,608	\$ 0	\$ 7,071	\$44,647	\$2,597,032
Less accumulated depreciation	<u>997,626</u>	<u>(109,767)</u>	<u>256,875</u>	<u>44,647</u>	<u>1,100,087</u>
Total governmental activities capital assets, net	<u>\$1,636,982</u>	<u>\$109,767</u>	<u>\$(249,804)</u>	<u>\$ 0</u>	<u>\$1,496,945</u>

During an upgrade of the accounting system in fiscal year 2006, errors made in calculating depreciation for capital assets were corrected resulting in a prior period adjustment. The effect on the Supervisor of Election's capital assets was a decrease in accumulated depreciation of \$109,767. The adjustment has no impact on the balances reported in the Supervisor of Elections' fund financial statements. Capital assets used by the Supervisor of Elections' operations are recorded in the governmental fund types as expenditures at the time assets are received and a liability is incurred. Purchased assets are capitalized at historical cost in the government-wide financial statements of the County.

E. Investments

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

F. Accrued Compensated Absences

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

BREVARD COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2006

The Supervisor of Elections accrued compensated absences were:

<u>Oct 1, 2005</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept 30, 2006</u>
\$173,374	\$18,040	\$0	\$191,414

The accrued compensated absence due within one year is estimated at \$5,057.43.

G. Reserves of Fund Balances

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

H. Use of Estimates

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

2. Cash and Investments

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

Cash in the amount of \$639,760 represents both book and market value, was invested with the State Board of Administration, State of Florida.

3. Deferred Compensation

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

4. Retirement

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

The Supervisor of Elections' contributions for the years ending September 30, 2006, 2005, and 2004 were \$127,678, \$112,163, and \$103,386, respectively, and equals the required contributions for each year. Contributions for the year ending September 30, 2006 represented 8.94% of covered payroll.

5. Risk Management

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

**BREVARD COUNTY**  
**SUPERVISOR OF ELECTIONS**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE**

**AND OTHER MATTERS**

**BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH**

***GOVERNMENT AUDITING STANDARDS***



**MANAGEMENT LETTER**

**SEPTEMBER 30, 2006**

BERMAN & HOPKINS  
WRIGHT & LAHAM  
CPAS AND ASSOCIATES, LLP

**Partners:**

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

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

Honorable Fred D. Galey  
Brevard County Supervisor of Elections  
Brevard County, Florida



We have audited the special-purpose financial statements of the major fund of the Brevard County Supervisor of Elections, as of and for the year ended September 30, 2006, and have issued our report thereon dated March 23, 2007. 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.

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**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Brevard County Supervisor of Elections' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

### Compliance and Other Matters

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

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

March 23, 2007  
Melbourne, Florida

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

**Partners:**

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

**MANAGEMENT LETTER**

Honorable Fred D. Gale  
Brevard County Supervisor of Elections  
Brevard County, Florida

We have audited the special-purpose financial statements of the major fund of the Brevard County Supervisor of Elections as of and for the fiscal year ended September 30, 2006, and have issued our report thereon dated March 23, 2007.



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. We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters, dated March 23, 2007. Disclosures in that report should be considered in conjunction with this management letter.

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Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The *Rules of the Auditor General* (Section 10.554(1)(h)1) require that we comment as to whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

The *Rules of the Auditor General* (Section 10.554(1)(h)2) require that we include a statement as to whether or not the Brevard County Supervisor of Elections complied with Section 218.415, Florida Statutes, regarding the investment of public funds. The Brevard County Supervisor of Elections complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

The *Rules of the Auditor General* (Section 10.554(1)(h)3) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. There were no recommendations in connection with the fiscal year 2006 financial statement audit.

The *Rules of the Auditor General* (Section 10.554(1)(h)4) require disclosure in the management letter of the following matters if not already addressed in the auditors' reports on internal control and compliance and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred; (2) improper or illegal expenditures; (3) deficiencies in internal control that are not reportable conditions, including but not limited to: (a) improper or inadequate accounting procedures (e.g. the omission of required disclosures from the annual financial statements); (b) failures to properly record financial transactions; (c) other inaccuracies, shortages and defalcations and instances of fraud, discovered by, or that come to the attention of the auditor. There were no such matters noted.

The *Rules of the Auditor General* (Section 10.554(1)(h)5) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Brevard County Supervisor of Elections was originally established by the Constitution of the State of Florida, Article VIII, Section 1(d). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). There were no component units related to the Brevard County Supervisor of Elections.

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

March 23, 2007  
Melbourne, Florida

*Berman Hopkins Wright & LaHam*  
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