



AGENDA REPORT
July 10, 2018

**Brevard County Annual Financial Audits Report for the fiscal year ended
September 30, 2017**

SUBJECT:

Brevard County Annual Financial Audits Report for the fiscal year ended September 30, 2017.

DEPT/OFFICE:

Agenda Coordinator

REQUESTED ACTION:

Request that the Board acknowledge the Brevard County Annual Financial Audits for the fiscal year ended September 30, 2017 and the accompanying management letters.

SUMMARY EXPLANATION and BACKGROUND:

The Brevard County Comprehensive Annual Financial Report, which presents the financial position and results of operations of the Board of County Commissioners, Charter Officers and dependant districts was acknowledged by the Board on April 24, 2018. The financial information reported in the Annual Financial Audits report includes Brevard County and individual reports for the Sheriff, Clerk of the Circuit Court, Tax Collector, Property Appraiser and Supervisor of Elections. The individual audit reports for Brevard County and each Charter Officer include:

- Independent Auditor's Report
- Fund Financial Statements
- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
- Management Letter and Management Comments and Recommendations
- Independent Accountant's Report on Investment Compliance

The Annual Financial Audit Report has been sent to the State Auditor General's office on June 6, 2018 in compliance with Florida Statutes 218.39.

The Annual Financial Audit Report is available on the Clerk's website at:
www.brevardclerk.us/financial-reports-clerk-of-courts-county

CLERK TO THE BOARD INSTRUCTIONS:

Attachment is the Annual Financial Audit Report FY ended 09/30/17

ATTACHMENTS:

Description

- **Annual Financial Audits FY 09/30/17**



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July 11, 2018

MEMORANDUM

TO: Steve Burdett, Finance Director

RE: Item F.35., Brevard County Annual Financial Audits Report for the Fiscal Year Ending September 30, 2017

The Board of County Commissioners, in regular session on July 10, 2018, acknowledged receipt of the Brevard County Annual Financial Audits Report for the Fiscal Year ending September 30, 2017, and the accompanying management letters.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe

Tammy Rowe, Deputy Clerk

/ds

cc: Budget

ANNUAL FINANCIAL AUDITS



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

Brevard County, Florida
For the Year Ended September 30, 2017

BREVARD COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED SEPTEMBER 30, 2017

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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise Brevard County, Florida's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Titusville-Cocoa Airport Authority, and Brevard County Housing Finance Authority, which collectively represents 94 percent, 94 percent and 40 percent, of the assets, net position, and revenues of the aggregate discretely presented component units of Brevard County, Florida. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the aggregate discretely presented component units is based solely on the reports of the other auditors.

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

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

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

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida, as of September 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof and respective budgetary comparison for the General, Emergency Services, Brevard County Transportation Trust, Save Our Indian River Lagoon, and Grants Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Brevard County, Florida's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations, and Chapter 10.550, Local Governmental Entity Audits, Rules of the Auditor General, State of Florida and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2018, on our consideration of Brevard County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Brevard County's internal control over financial reporting.

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Management's Discussion and Analysis

As Clerk of the Circuit Court for Brevard County, I offer readers of the Brevard County Financial Statements this narrative overview and analysis of the financial activities of Brevard County for the fiscal year ended September 30, 2017. I encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal of the report. All amounts, unless otherwise indicated, are expressed in millions of dollars.

Financial Highlights

- Brevard County's assets and deferred outflows of resources exceeded its liabilities at September 30, 2017 by \$921.2 million (net position) of which \$91.7 million is negative unrestricted.
- The County's total net position increased \$58.2 million over the previous year with \$40.0 million of the increase resulting from governmental activities and \$18.2 million resulting from business-type activities.
- As of September 30, 2017, Brevard County's governmental fund statements reported a combined ending fund balance of \$241.8 million, an increase of \$33.7 million from the preceding fiscal year.
- The General Fund reported a fund balance of \$39.8 million, an increase of \$3.5 million from the previous fiscal year.
- Total bonded debt decreased \$17.5 million (7.3%) in fiscal year 2017.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

The basic governmental fund financial statements can be found on Exhibits A-3 to A-9 of this report.

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

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

The basic proprietary fund financial statements can be found on Exhibits A-10 to A-12 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-13 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-14 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning Brevard County's progress in funding its obligation to provide other postemployment benefits to its employees and net pension liability. Required supplementary information can be found on Exhibits A-15 to A-17 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Brevard County, assets and deferred outflows of resources exceeded liabilities by \$921.2 million at the close of the most recent fiscal year. Brevard County's increase in net position for this fiscal year amounts to \$58.2 million.

Almost all of Brevard County's net position (87.7 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. Brevard County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Brevard County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since most of the capital assets themselves cannot be used to liquidate these liabilities.

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

Brevard County's Net Position (in millions)

	Governmental Activities		Business-type Activities		Total		% Change
	2017	2016	2017	2016	2017	2016	
Current and other assets	\$ 365.2	\$ 316.3	\$ 131.9	\$ 133.6	\$ 497.1	\$ 449.9	10.5
Capital assets	787.0	790.1	297.4	263.5	1,084.4	1,053.6	2.9
Total assets	\$ 1,152.2	\$ 1,106.4	\$ 429.3	\$ 397.1	\$ 1,581.5	\$ 1,503.5	5.2
Deferred outflows of resources	\$ 121.0	\$ 103.4	\$ 6.3	\$ 5.4	\$ 127.3	\$ 108.8	17.0
Long-term liabilities	\$ 546.8	\$ 539.6	\$ 130.2	\$ 115.3	\$ 677.0	\$ 654.9	3.4
Other liabilities	72.0	63.4	14.9	14.5	86.9	77.9	11.6
Total liabilities	\$ 618.8	\$ 603.0	\$ 145.1	\$ 129.8	\$ 763.9	\$ 732.8	4.2
Deferred inflows of resources	\$ 22.4	\$ 14.8	\$ 1.3	\$ 1.7	\$ 23.7	\$ 16.5	43.6
Net position							
Net investment in capital assets	\$ 571.2	\$ 560.4	\$ 236.4	\$ 221.9	\$ 807.6	\$ 782.3	3.2
Restricted	202.5	174.9	2.8	2.8	205.3	177.7	15.5
Unrestricted	(141.7)	(143.3)	50.0	46.3	(91.7)	(97.0)	(5.5)
Total net position	\$ 632.0	\$ 592.0	\$ 289.2	\$ 271.0	\$ 921.2	\$ 863.0	6.7

The restricted portion of Brevard County's net position (22.3 percent) represents resources that are subject to external restrictions on how they may be used. The restrictions include acquiring land for preservation, beach restoration, fire/rescue, lagoon restoration, and capital improvements to parks and road construction/resurfacing. The restrictions are imposed by actions such as local ordinances or bond covenants.

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

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

	Governmental Activities		Business-type Activities		Total		
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>% Change</u>
Revenues							
Program revenues:							
Charges for services	\$ 132.2	\$ 125.6	\$ 79.2	\$ 76.4	\$ 211.4	\$ 202.0	4.7
Operating grants and contributions	37.8	35.6	25.1	9.2	62.9	44.8	40.4
Capital grants and contributions	3.4	14.3	11.6	9.2	15.0	23.5	(36.2)
General revenues:							
Property taxes	215.9	208.2	0.0	0.0	215.9	208.2	3.7
Other taxes	65.1	32.2	0.0	0.0	65.1	32.2	102.2
State shared	38.0	35.5	0.0	0.0	38.0	35.5	7.0
Interest	2.1	1.9	1.0	1.0	3.1	2.9	6.9
Other	10.3	11.6	0.7	1.0	11.0	12.6	(12.7)
Total revenues	<u>\$ 504.8</u>	<u>\$ 464.9</u>	<u>\$ 117.6</u>	<u>\$ 96.8</u>	<u>\$ 622.4</u>	<u>\$ 561.7</u>	<u>10.8</u>
Expenses							
General government	\$ 87.5	\$ 92.7	\$ 0.0	\$ 0.0	\$ 87.5	\$ 92.7	(5.6)
Public safety	205.7	191.8	0.0	0.0	205.7	191.8	7.2
Physical environment	19.2	24.5	0.0	0.0	19.2	24.5	(21.6)
Transportation	34.6	34.3	0.0	0.0	34.6	34.3	0.9
Economic environment	21.2	16.0	0.0	0.0	21.2	16.0	32.5
Human services	38.7	21.6	0.0	0.0	38.7	21.6	79.2
Culture and recreation	51.1	61.7	0.0	0.0	51.1	61.7	(17.2)
Interest on long-term debt	8.2	8.9	0.0	0.0	8.2	8.9	(7.9)
Solid waste	0.0	0.0	52.7	43.0	52.7	43.0	22.6
Water resources	0.0	0.0	29.0	29.4	29.0	29.4	(1.4)
Transit services	0.0	0.0	15.3	13.6	15.3	13.6	12.5
Golf courses	0.0	0.0	1.0	1.2	1.0	1.2	(16.7)
Total expenses	<u>\$ 466.2</u>	<u>\$ 451.5</u>	<u>\$ 98.0</u>	<u>\$ 87.2</u>	<u>\$ 564.2</u>	<u>\$ 538.7</u>	<u>4.7</u>
Change in net position before transfers	\$ 38.6	\$ 13.4	\$ 19.6	\$ 9.6	\$ 58.2	\$ 23.0	153.0
Transfers	1.4	(1.7)	(1.4)	1.7	0.0	0.0	0.0
Increase in net position	<u>\$ 40.0</u>	<u>\$ 11.7</u>	<u>\$ 18.2</u>	<u>\$ 11.3</u>	<u>\$ 58.2</u>	<u>\$ 23.0</u>	<u>153.0</u>
Net position beginning	592.0	580.3	271.0	259.7	863.0	840.0	2.7
Net position ending	<u>\$ 632.0</u>	<u>\$ 592.0</u>	<u>\$ 289.2</u>	<u>\$ 271.0</u>	<u>\$ 921.2</u>	<u>\$ 863.0</u>	<u>6.7</u>

Financial Analysis of Governmental Activities

Revenue in fiscal year 2017 included increases in other taxes of \$32.9 million, increases in charges for services of \$6.6 million, and increases in property taxes of \$7.7 million. The increase in charges for services primarily resulted from impact fees on new construction. The property tax increase resulted from improved property values. The increase in other taxes resulted from the implementation of the half-cent discretionary infrastructure sales tax.

Financial Analysis of Business-type Activities

Business-type activities increased the County's net position by \$18.2 million, compared to \$11.3 million in the previous year. The County's water resources operations experienced the largest increase in net position at \$18.3 million. The County's Space Coast Area Transit operations reported a \$1.9 million decrease and solid waste operations reported a \$2.5 million increase in net position. The individual operations are explained on the next page under Proprietary Funds.

Financial Analysis of Brevard County's Funds

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

Governmental Funds

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

Net Change in Fund Balance

	General Fund	Emergency Services	Brevard County Transportation Trust	Save Our Indian River Lagoon	Grants
Fiscal Year 2017					
Revenues and other sources	\$ 255,349,272	\$ 63,514,063	\$ 90,648,319	\$ 32,122,717	\$ 16,184,075
Expenditures and other uses	251,843,466	68,105,936	86,652,896	291,370	15,383,182
Increase (decrease) in fund balance	<u>\$ 3,505,806</u>	<u>\$ (4,591,873)</u>	<u>\$ 3,995,423</u>	<u>\$ 31,831,347</u>	<u>\$ 800,893</u>
Fiscal Year 2016					
Revenues and other sources	\$ 252,537,427	\$ 62,261,459	\$ 48,965,478	\$ 0	\$ 24,901,284
Expenditures and other uses	248,170,739	63,803,761	53,534,671	0	28,662,447
Increase (decrease) in fund balance	<u>\$ 4,366,688</u>	<u>\$ (1,542,302)</u>	<u>\$ (4,569,193)</u>	<u>\$ 0</u>	<u>\$ (3,761,163)</u>

At September 30, 2017, total fund balance in the General Fund was \$39.8 million, of which \$36.5 million was spendable. As a measure of liquidity, the spendable General Fund's fund balance compared to total fund expenditures and other financing uses was at 14.5 percent at fiscal year-end.

Emergency Services received \$63.5 million of dedicated property taxes, fire assessment, ambulance fees and General Fund financial support during fiscal year 2017. The department expended \$68.1 million for fire protection, ambulance, hazardous material mitigation, other emergency services and some capital renovations. The \$15.9 million in fund balance is a decrease from fiscal year 2016.

The fund balance in the Brevard County Transportation Trust fund increased by \$4.0 million in fiscal year 2017. The \$65.0 million restricted fund balance in fiscal year 2017 includes \$15.7 million from the Local Option Fuel Tax Bonds issued in 2007, while the remainder represents impact fees and gas taxes for infrastructure improvements.

Save our Indian River Lagoon started collecting the voter approved half-cent discretionary infrastructure sales tax in January 2017. At September 30, 2017, the restricted fund balance was \$31.8 million.

The Grants fund receives federal and state funding for physical environment, human assistance, transportation and other public services. The Grants fund reported a deficit fund balance of \$10.7 million at year end. The deficit fund balance is primarily a result of grant reimbursements not received within the first 90 days of the subsequent fiscal year.

The Tourism Development Tax fund balance decreased \$5.9 million in fiscal year 2017 to a total of \$20.1 million. The fund balance included \$11.0 million to be used for beach improvement, restoration, and erosion control. The Space Coast Stadium, conventions, and other smaller projects make up the remainder.

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

Enterprise Funds - At September 30, 2017, total net position amounted to \$285.9 million for enterprise funds as compared to \$267.9 million at September 30, 2016. Net position primarily changed as a result of operations, grants and capital contributions in the Water Resources fund.

The Solid Waste Management Department reported an increase in net position of \$2.5 million. The total current assets of \$55.0 million include \$32.6 million restricted for landfill closure. Future landfill and facilities expansion will be accommodated with operating resources and capital financing.

The Water Resources Department reported an increase in net position for fiscal year 2017 of \$18.3 million, compared to the \$13.6 million increase in net position in the preceding fiscal year. In fiscal year 2014, the County approved annually increasing user rates through 2019. Effective January 2019, rates will be adjusted by the consumer price index, not to exceed 5 percent annually. The coverage of net available revenue over debt service for the fiscal year was 922 percent. The department disbursed \$31.6 million to acquire, construct or improve capital assets during the fiscal year. The capital contributions, including impact fees and developer contributions, increased by \$10.8 million.

The Barefoot Bay Water and Sewer District reported an increase in net position for fiscal year 2017 of \$1.2 million. The coverage of net available revenue over debt service for the fiscal year was 170 percent, which exceeded the bond requirements. Effective January 2017, rates were adjusted by the consumer price index, not to exceed 5 percent annually.

Internal Service Funds - The Risk Management internal service fund is to finance the uninsured risks of loss for workers compensation, auto liability, general liability claims and employee health benefits on a cost-reimbursement basis. In addition to the self-insurance, the County also purchases commercial insurance policies to manage risk for claims that exceed agreed upon amounts. The risk premiums, charged to departments during the fiscal year, exceeded costs of the self-insurance program by \$6.4 million. The unrestricted net position of the self-insurance fund at fiscal year-end was \$48.5 million.

General Fund Budgetary Highlights

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

A comparison of the original to the final operating revenue budget shows an increase of \$5.9 million, primarily as a result of increases in charges for services and other miscellaneous revenue estimates. Actual expenditures were \$12.8 million less than final budgeted amounts.

Capital Asset and Debt Administration

Capital Assets. Brevard County's investment in capital assets for its governmental and business-type activities as of September 30, 2017, amounts to \$1.1 billion (net of accumulated depreciation). This investment in capital assets includes land, easements, buildings and structures, improvements, goodwill, and machinery and equipment. Infrastructure, such as roads, highways and bridges, are also included. Brevard County's investment in capital assets for the current fiscal year increased 2.9 percent.

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

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 255.5	\$ 254.8	\$ 37.9	\$ 37.7	\$ 293.4	\$ 292.5
Easements	0.6	0.3	0.1	0.1	0.7	0.4
Goodwill	0.0	0.0	0.9	0.9	0.9	0.9
Construction in progress	63.2	54.5	77.2	58.0	140.4	112.5
Building and structures	194.6	201.3	29.4	29.0	224.0	230.3
Infrastructure	162.4	162.4	16.5	9.4	178.9	171.8
Improvements to land	41.1	42.6	1.4	1.6	42.5	44.2
Improvements other than buildings	18.4	19.1	114.4	104.5	132.8	123.6
Machinery and equipment	51.3	55.1	19.6	22.4	70.9	77.5
	<u>\$ 787.1</u>	<u>\$ 790.1</u>	<u>\$ 297.4</u>	<u>\$ 263.6</u>	<u>\$ 1,084.5</u>	<u>\$ 1,053.7</u>

Additional information on Brevard County's capital assets can be found in the notes to the financial statements (Exhibit A-14, Note 9).

Long-term debt. At the end of the current fiscal year, Brevard County had total bonded debt outstanding of \$221.0 million, which is a 7.3 percent decrease from fiscal year 2016. Of this amount, \$74.9 million comprises debt backed by voter approved property taxes and \$146.1 million is secured solely by specified revenue sources such as gas taxes and utility revenues.

Brevard County's Outstanding Debt
(in millions)

General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Limited Ad Valorem Tax Bonds	\$ 74.9	\$ 84.2	\$ 0.0	\$ 0.0	\$ 74.9	\$ 84.2
Revenue bonds	100.9	107.4	45.2	46.9	146.1	154.3
	<u>\$ 175.8</u>	<u>\$ 191.6</u>	<u>\$ 45.2</u>	<u>\$ 46.9</u>	<u>\$ 221.0</u>	<u>\$ 238.5</u>

Additional information on Brevard County's long-term debt can be found in the notes to the financial statements (Exhibit A-14, Note 15).

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Brevard County is currently 3.7 percent, which was a decrease from a rate of 4.9 percent a year ago. The State's average unemployment rate is 3.7 percent and the national average rate is 4.1 percent.
- Total property valuation increased from \$58.2 billion to \$63.7 billion. Taxable property valuation increased from \$32.0 billion to \$34.6 billion. The valuation of Save Our Homes exemptions is \$8.3 billion, up from \$6.6 billion in 2016.

Brevard County experienced an increase in general revenues over the preceding year. Millages levied on increased property valuations were reduced while revenues from sales taxes increased. The number of building permits issued during 2017 was 21,261, a 25.2 percent increase over the prior year.

All of these factors were considered in preparing Brevard County's budget for the 2018 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of Brevard County's finances for all those with an interest in the government's finances. Questions concerning the basic financial statements or other accounting information provided in this report should be addressed to the Finance Director, 400 South St. Titusville, Florida 32780. Questions concerning budgets, long-term financial planning, or the management of County operations should be addressed to the County Manager, 2725 Judge Fran Jamieson Way, Viera, Florida 32940. Complete financial statements for each of the individual component units may be obtained at the entity's administrative office.



BASIC FINANCIAL STATEMENTS



BREVARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

	<i>Primary Government</i>			<i>Component Units</i>
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	
ASSETS				
Cash and cash equivalents	\$ 304,144,096	\$ 60,189,631	\$ 364,333,727	\$ 11,868,931
Cash with escrow and paying agents	1,125,191	0	1,125,191	0
Investments	0	0	0	390,526
Receivables (net of allowance for uncollectibles)	12,841,156	1,766,680	14,607,836	838,786
Taxes receivable	467,643	0	467,643	0
Assessments receivable	39,639	0	39,639	0
Accrued interest receivable	611,471	1,463	612,934	0
Internal balances	(3,467,040)	3,467,040	0	0
Due from other governmental units	39,909,847	28,058,090	67,967,937	621,887
Inventory of supplies	5,121,029	998,252	6,119,281	0
Prepaid items	4,248,162	1,192,097	5,440,259	154,038
Restricted assets:				
Cash and cash equivalents	0	36,162,840	36,162,840	0
Capital assets, not being depreciated:				
Land	255,527,366	37,851,814	293,379,180	14,493,599
Easements	570,533	52,108	622,641	0
Goodwill	0	940,130	940,130	0
Construction in progress	63,161,604	77,246,881	140,408,485	5,650,759
Capital assets, net of accumulated depreciation:				
Buildings and structures	194,565,122	29,432,685	223,997,807	17,133,132
Infrastructure	162,385,601	16,530,079	178,915,680	0
Improvements to land	41,099,253	1,375,959	42,475,212	1,137,224
Improvements other than buildings	18,432,059	114,403,958	132,836,017	19,632,981
Machinery and equipment	51,297,590	19,583,672	70,881,262	504,602
Unamortized bond insurance	201,392	0	201,392	0
Total assets	<u>\$ 1,152,281,714</u>	<u>\$ 429,253,379</u>	<u>\$ 1,581,535,093</u>	<u>\$ 72,426,465</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	\$ 1,991,042	\$ 0	\$ 1,991,042	\$ 0
Deferred charges for pensions	118,965,350	6,329,673	125,295,023	575,904
Total deferred outflows of resources	<u>\$ 120,956,392</u>	<u>\$ 6,329,673</u>	<u>\$ 127,286,065</u>	<u>\$ 575,904</u>

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

	<i>Primary Government</i>			<i>Component Units</i>
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	
LIABILITIES				
Vouchers and contracts payable	\$ 22,363,941	\$ 11,593,833	\$ 33,957,774	\$ 136,234
Accrued wages and benefits payable	5,585,344	0	5,585,344	0
Accrued interest payable	1,255,163	382,644	1,637,807	0
Due to other governmental units	1,241,297	4,355	1,245,652	0
Unearned revenue	3,577,684	0	3,577,684	0
Customer deposits	0	917,261	917,261	368,132
Noncurrent liabilities:				
Due within one year:				
Claims payable	7,787,258	0	7,787,258	0
Accrued compensated absences	3,551,704	212,894	3,764,598	102,529
Leases payable	109,372	0	109,372	0
Notes payable	7,392,000	0	7,392,000	117,945
Bonds payable	19,095,555	1,798,000	20,893,555	0
Due in more than one year:				
Claims payable	10,771,601	0	10,771,601	0
Landfill closure and postclosure care	0	51,360,144	51,360,144	0
Accrued compensated absences	28,980,601	1,787,145	30,767,746	0
Other postemployment benefits	23,028,258	2,436,325	25,464,583	125,361
Net pension liability	287,038,414	15,423,228	302,461,642	1,221,971
HUD Section 108 loan payable	1,936,168	0	1,936,168	0
State revolving loan payable	0	14,620,884	14,620,884	0
Leases payable	237,353	0	237,353	0
Notes payable	13,033,000	0	13,033,000	1,616,720
Bonds payable (net of unamortized premium and discount)	181,805,715	44,583,128	226,388,843	0
Total liabilities	<u>\$ 618,790,428</u>	<u>\$ 145,119,841</u>	<u>\$ 763,910,269</u>	<u>\$ 3,688,892</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred charges for pensions	<u>\$ 22,414,184</u>	<u>\$ 1,286,839</u>	<u>\$ 23,701,023</u>	<u>\$ 63,480</u>
NET POSITION				
Net investment in capital assets	\$ 571,203,870	\$ 236,415,274	\$ 807,619,144	\$ 56,817,632
Restricted for:				
Debt service	7,380,327	1,053,279	8,433,606	0
Renewal and replacement	0	1,695,631	1,695,631	0
General government	3,858,973	0	3,858,973	0
Education	7,645,934	0	7,645,934	0
Public safety	21,032,326	0	21,032,326	0
Physical environment	46,842,791	0	46,842,791	0
Transportation	69,824,247	0	69,824,247	0
Economic environment	23,482,662	0	23,482,662	0
Human services	3,324,239	0	3,324,239	0
Culture and recreation	19,091,384	0	19,091,384	0
Unrestricted	(141,653,259)	50,012,188	(91,641,071)	12,432,365
Total net position	<u>\$ 632,033,494</u>	<u>\$ 289,176,372</u>	<u>\$ 921,209,866</u>	<u>\$ 69,249,997</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 87,544,756	\$ 40,531,878	\$ 4,011,470	\$ 698,400
Public safety	205,667,221	55,427,651	6,100,319	188,865
Physical environment	19,214,245	8,442,443	10,285,482	0
Transportation	34,634,390	13,344,654	10,339,343	2,262,525
Economic environment	21,244,713	0	3,440,032	0
Human services	38,714,577	9,816,868	1,647,791	0
Culture and recreation	51,055,735	4,649,775	2,016,529	258,362
Interest on long-term debt	8,209,985	0	0	0
Total governmental activities	<u>\$ 466,285,622</u>	<u>\$ 132,213,269</u>	<u>\$ 37,840,966</u>	<u>\$ 3,408,152</u>
Business-type activities:				
Solid Waste	\$ 52,655,143	\$ 38,704,568	\$ 14,829,768	\$ 616,018
Water Resources	29,032,837	38,276,217	753,720	10,825,466
Transit Services	15,254,443	2,038,725	9,401,105	165,596
County-wide golf courses	960,185	206,927	66,742	0
Total business-type activities	<u>\$ 97,902,608</u>	<u>\$ 79,226,437</u>	<u>\$ 25,051,335</u>	<u>\$ 11,607,080</u>
Total primary government	<u>\$ 564,188,230</u>	<u>\$ 211,439,706</u>	<u>\$ 62,892,301</u>	<u>\$ 15,015,232</u>
Component units:				
North Brevard County				
Public Library District	\$ 699	\$ 40	\$ 0	\$ 0
Merritt Island Redevelopment Agency	2,174,774	0	37,433	0
North Brevard Economic Development Zone	1,371,760	10,475	0	0
Titusville-Cocoa Airport Authority	3,961,939	2,500,348	0	155,695
Housing Finance Authority	137,338	108,008	0	0
Total component units	<u>\$ 7,646,510</u>	<u>\$ 2,618,871</u>	<u>\$ 37,433</u>	<u>\$ 155,695</u>

General revenues:

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

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

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

Net (Expense) Revenue and
Changes in Net Position

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (42,303,008)	\$ 0	\$ (42,303,008)	
(143,950,386)	0	(143,950,386)	
(486,320)	0	(486,320)	
(8,687,868)	0	(8,687,868)	
(17,804,681)	0	(17,804,681)	
(27,249,918)	0	(27,249,918)	
(44,131,069)	0	(44,131,069)	
(8,209,985)	0	(8,209,985)	
<u>\$ (292,823,235)</u>	<u>\$ 0</u>	<u>\$ (292,823,235)</u>	
\$ 0	\$ 1,495,211	\$ 1,495,211	
0	20,822,566	20,822,566	
0	(3,649,017)	(3,649,017)	
0	(686,516)	(686,516)	
<u>\$ 0</u>	<u>\$ 17,982,244</u>	<u>\$ 17,982,244</u>	
<u>\$ (292,823,235)</u>	<u>\$ 17,982,244</u>	<u>\$ (274,840,991)</u>	
			\$ (659)
			(2,137,341)
			(1,361,285)
			(1,305,896)
			(29,330)
			<u>\$ (4,834,511)</u>
\$ 203,588,425	\$ 0	\$ 203,588,425	\$ 0
12,330,659	0	12,330,659	0
32,072,164	0	32,072,164	0
6,377,573	0	6,377,573	0
12,525,330	0	12,525,330	0
13,601,701	0	13,601,701	0
488,848	0	488,848	4,166,870
38,028,073	0	38,028,073	0
2,135,801	978,955	3,114,756	69,634
10,329,752	672,876	11,002,628	0
1,404,684	(1,404,684)	0	0
<u>\$ 332,883,010</u>	<u>\$ 247,147</u>	<u>\$ 333,130,157</u>	<u>\$ 4,236,504</u>
\$ 40,059,775	\$ 18,229,391	\$ 58,289,166	\$ (598,007)
591,973,719	270,946,981	862,920,700	69,848,004
<u>\$ 632,033,494</u>	<u>\$ 289,176,372</u>	<u>\$ 921,209,866</u>	<u>\$ 69,249,997</u>

BREVARD COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

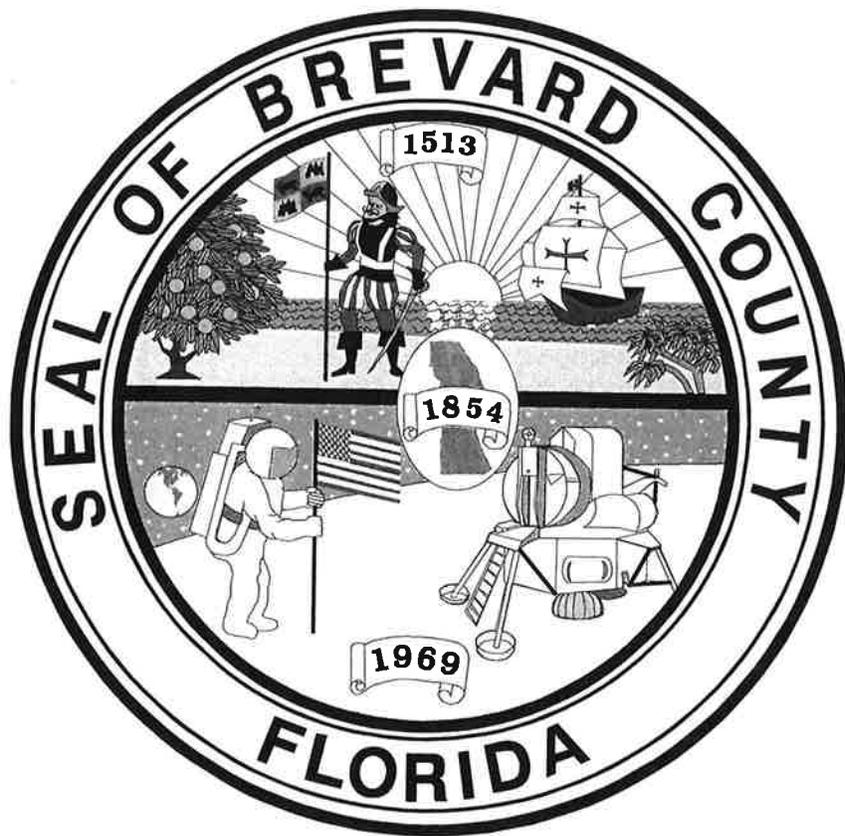
	<u>General</u>	<u>Emergency Services</u>
ASSETS		
Cash	\$ 42,931,971	\$ 12,714,269
Receivables (net of allowance for uncollectibles):		
Accounts	3,380,850	7,866,286
Taxes	285,073	22,067
Assessments	27,447	12,192
Accrued interest	611,471	0
Due from other funds	976,183	147,719
Due from other governmental units	6,159,415	2,124,727
Inventory of supplies	2,655,490	892,214
Advances to other funds	0	0
Prepaid items	1,041,236	257,076
Total assets	<u>\$ 58,069,136</u>	<u>\$ 24,036,550</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Vouchers and contracts payable	\$ 6,773,856	\$ 1,634,925
Accrued wages and benefits payable	5,301,482	0
Due to other funds	2,309,555	0
Due to other governmental units	1,206,926	16
Advances from other funds	552,180	0
Unearned revenue	493,963	3,588
Total liabilities	<u>\$ 16,637,962</u>	<u>\$ 1,638,529</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-intergovernmental	\$ 766,876	\$ 1,440,328
Unavailable revenue-taxes and assessments	310,989	34,259
Unavailable revenue-future reimbursements	528,079	0
Unavailable revenue-charges for services	0	4,974,784
Total deferred inflows of resources	<u>\$ 1,605,944</u>	<u>\$ 6,449,371</u>
Fund balances:		
Non-spendable	\$ 3,042,822	\$ 1,149,290
Restricted	253,000	14,961,796
Committed	0	0
Assigned	8,472,591	0
Unassigned	28,056,817	(162,436)
Total fund balances	<u>\$ 39,825,230</u>	<u>\$ 15,948,650</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 58,069,136</u>	<u>\$ 24,036,550</u>

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

<i>Brevard County Transportation Trust</i>	<i>Save Our Indian River Lagoon</i>	<i>Grants</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 71,747,947	\$ 24,689,128	\$ 291,104	\$ 87,641,639	\$ 240,016,058
834,108	0	34,217	303,373	12,418,834
0	0	0	160,503	467,643
0	0	0	0	39,639
0	0	0	0	611,471
770,000	0	0	11,957,969	13,851,871
2,777,775	7,173,435	15,624,029	5,184,013	39,043,394
61,444	0	0	1,511,881	5,121,029
0	0	0	138,024	138,024
0	0	168,947	37,798	1,505,057
<u>\$ 76,191,274</u>	<u>\$ 31,862,563</u>	<u>\$ 16,118,297</u>	<u>\$ 106,935,200</u>	<u>\$ 313,213,020</u>
\$ 4,068,882	\$ 31,216	\$ 2,755,219	\$ 5,377,139	\$ 20,641,237
0	0	0	283,862	5,585,344
0	0	12,778,706	406,366	15,494,627
0	0	0	34,355	1,241,297
0	0	0	283,682	835,862
2,872,131	0	129,961	78,041	3,577,684
<u>\$ 6,941,013</u>	<u>\$ 31,216</u>	<u>\$ 15,663,886</u>	<u>\$ 6,463,445</u>	<u>\$ 47,376,051</u>
\$ 446,387	\$ 0	\$ 11,100,558	\$ 4,217,676	\$ 17,971,825
0	0	0	160,503	505,751
0	0	27,676	22,807	578,562
0	0	0	0	4,974,784
<u>\$ 446,387</u>	<u>\$ 0</u>	<u>\$ 11,128,234</u>	<u>\$ 4,400,986</u>	<u>\$ 24,030,922</u>
\$ 61,444	\$ 0	\$ 168,947	\$ 1,539,742	\$ 5,962,245
65,030,696	31,831,347	217,334	94,035,405	206,329,578
0	0	0	495,622	495,622
3,711,734	0	0	0	12,184,325
0	0	(11,060,104)	0	16,834,277
<u>\$ 68,803,874</u>	<u>\$ 31,831,347</u>	<u>\$ (10,673,823)</u>	<u>\$ 96,070,769</u>	<u>\$ 241,806,047</u>
<u>\$ 76,191,274</u>	<u>\$ 31,862,563</u>	<u>\$ 16,118,297</u>	<u>\$ 106,935,200</u>	<u>\$ 313,213,020</u>

BREVARD COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

Fund balances - total governmental funds	\$ 241,806,047
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	786,011,441
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	1,485,629
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	(466,455,390)
Unavailable revenue in the governmental funds is susceptible to full accrual on the entity-wide statements.	24,030,922
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.	45,154,845
Net position of governmental activities	<u>\$ 632,033,494</u>



BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

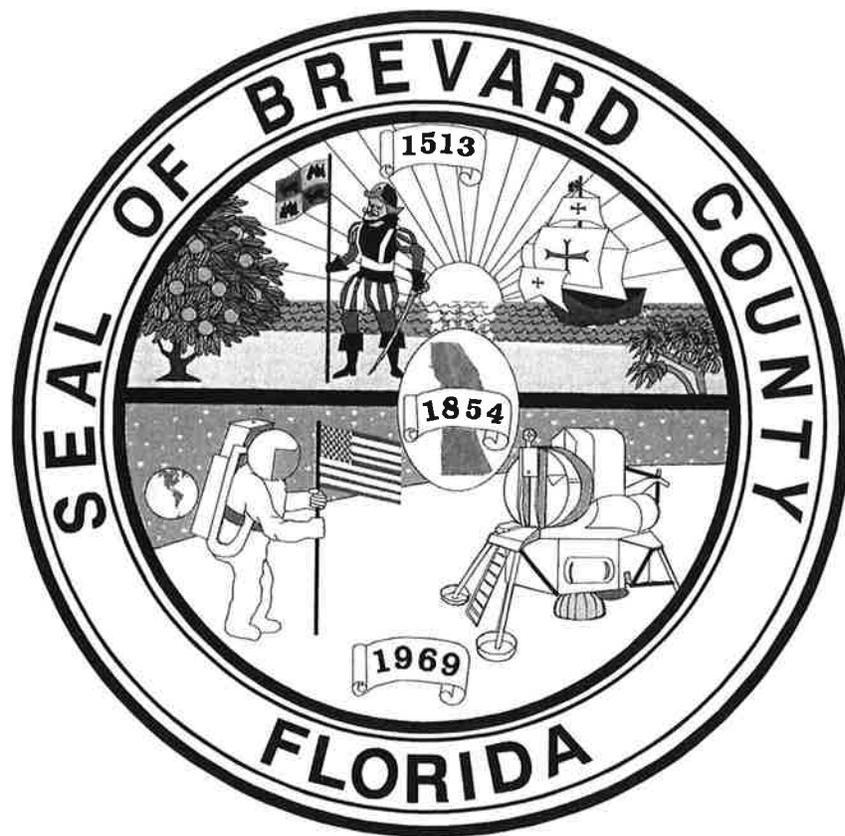
	<i>General</i>	<i>Emergency Services</i>
REVENUES		
Taxes	\$ 141,200,472	\$ 10,894,217
Permits, fees and special assessments	16,353,614	21,937,184
Intergovernmental revenues	43,284,982	2,903,908
Charges for services	37,915,596	17,576,204
Fines and forfeits	1,869,357	290,402
Miscellaneous revenues	5,721,056	398,679
Total revenues	\$ 246,345,077	\$ 54,000,594
EXPENDITURES		
Current:		
General government	\$ 70,719,521	\$ 0
Public safety	100,393,069	65,711,768
Physical environment	3,327,759	0
Transportation	7,301,834	0
Economic environment	1,700,093	0
Human services	15,221,097	0
Culture and recreation	7,697,393	0
Intergovernmental	7,586,596	185,004
Capital outlay	0	0
Debt service:		
Principal	157,492	20,747
Interest	22,788	2,510
Total expenditures	\$ 214,127,642	\$ 65,920,029
Excess (deficiency) of revenues over (under) expenditures	\$ 32,217,435	\$ (11,919,435)
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 8,429,033	\$ 9,428,677
Transfers out	(37,769,764)	(1,333,450)
Proceeds of the sale of capital assets	90,869	84,792
Insurance proceeds	237,074	0
Capital leases issued	247,219	0
Refunding debt issued	0	0
Capital related debt issued	0	0
Bond premium	0	0
Debt refunding payment	0	0
Total other financing sources and uses	\$ (28,765,569)	\$ 8,180,019
Net change in fund balances	\$ 3,451,866	\$ (3,739,416)
Fund balances - beginning	36,319,424	20,540,523
Increase (decrease) in non-spendable	53,940	(852,457)
Fund balances - ending	\$ 39,825,230	\$ 15,948,650

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

<u>Brevard County Transportation Trust</u>	<u>Save Our Indian River Lagoon</u>	<u>Grants</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 12,939,235	\$ 32,072,164	\$ 0	\$ 83,834,439	\$ 280,940,527
1,948,408	0	0	20,517,650	60,756,856
10,066,128	0	14,155,330	2,766,424	73,176,772
6,055,121	0	0	5,790,681	67,337,602
0	0	0	1,347,589	3,507,348
2,949,265	50,553	61,249	3,405,659	12,586,461
<u>\$ 33,958,157</u>	<u>\$ 32,122,717</u>	<u>\$ 14,216,579</u>	<u>\$ 117,662,442</u>	<u>\$ 498,305,566</u>
\$ 0	\$ 0	\$ 292,265	\$ 6,008,890	\$ 77,020,676
0	0	393,071	22,932,220	189,430,128
0	182,808	6,615,254	9,685,313	19,811,134
26,780,625	0	2,231,237	3,587,380	39,901,076
0	0	1,354,614	8,562,825	11,617,532
0	0	1,605,877	5,289,505	22,116,479
0	0	837,212	41,014,604	49,549,209
1,355	108,562	2,077,850	16,476,997	26,436,364
0	0	0	2,159,527	2,159,527
5,325,000	0	0	14,818,708	20,321,947
4,561,242	0	8,161	3,337,227	7,931,928
<u>\$ 36,668,222</u>	<u>\$ 291,370</u>	<u>\$ 15,415,541</u>	<u>\$ 133,873,196</u>	<u>\$ 466,296,000</u>
<u>\$ (2,710,065)</u>	<u>\$ 31,831,347</u>	<u>\$ (1,198,962)</u>	<u>\$ (16,210,754)</u>	<u>\$ 32,009,566</u>
\$ 5,672,505	\$ 0	\$ 31,328	\$ 21,432,106	\$ 44,993,649
(336,606)	0	0	(7,339,884)	(46,779,704)
84,354	0	0	149,655	409,670
4,800	0	0	20,274	262,148
0	0	0	0	247,219
49,375,000	0	0	0	49,375,000
0	0	1,936,168	0	1,936,168
1,553,503	0	0	0	1,553,503
<u>(49,652,931)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(49,652,931)</u>
<u>\$ 6,700,625</u>	<u>\$ 0</u>	<u>\$ 1,967,496</u>	<u>\$ 14,262,151</u>	<u>\$ 2,344,722</u>
\$ 3,990,560	\$ 31,831,347	\$ 768,534	\$ (1,948,603)	\$ 34,354,288
64,808,451	0	(11,474,716)	97,889,588	208,083,270
4,863	0	32,359	129,784	(631,511)
<u>\$ 68,803,874</u>	<u>\$ 31,831,347</u>	<u>\$ (10,673,823)</u>	<u>\$ 96,070,769</u>	<u>\$ 241,806,047</u>

BREVARD COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Net change in fund balances - total governmental funds	\$ 34,354,288
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.	1,099,855
The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, and donations).	(1,590,305)
Some revenues reported in the Statement of Activities are to be collected on a long-term basis and therefore are not reported as revenues in the funds.	5,527,077
Long-term bonds and lease proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the Statement of Net Position.	17,544,684
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(20,688,659)
Some expenditures reported in governmental funds are to be paid on a long-term basis and therefore are not reported in the Statement of Activities.	(1,720,483)
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>5,533,318</u>
Change in net position of governmental activities	<u>\$ 40,059,775</u>



BREVARD COUNTY, FLORIDA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 140,317,925	\$ 140,317,925	\$ 134,765,057	\$ (5,552,868)
Communications services tax	6,779,349	6,779,349	5,963,668	(815,681)
Other taxes	380,000	380,000	471,747	91,747
Total taxes	<u>\$ 147,477,274</u>	<u>\$ 147,477,274</u>	<u>\$ 141,200,472</u>	<u>\$ (6,276,802)</u>
Permits, fees and special assessments:				
Franchise fees-electricity	\$ 14,271,302	\$ 14,271,302	\$ 13,715,714	\$ (555,588)
Special assessments	4,150	4,150	9,193	5,043
Other permits and fees	1,949,791	2,489,566	2,628,707	139,141
Total permits, fees, and special assessments	<u>\$ 16,225,243</u>	<u>\$ 16,765,018</u>	<u>\$ 16,353,614</u>	<u>\$ (411,404)</u>
Intergovernmental revenues:				
Federal grants	\$ 876,182	\$ 1,740,187	\$ 1,738,368	\$ (1,819)
Federal payments in lieu of taxes	200,000	200,000	316,064	116,064
State grants	2,944,638	2,968,584	3,114,225	145,641
State shared revenues	39,089,376	39,089,376	38,028,073	(1,061,303)
Grants from other local units	36,000	69,684	13,325	(56,359)
Payments from other local units in lieu of taxes	58,000	58,000	74,927	16,927
Total intergovernmental revenues	<u>\$ 43,204,196</u>	<u>\$ 44,125,831</u>	<u>\$ 43,284,982</u>	<u>\$ (840,849)</u>
Charges for services:				
General government	\$ 13,015,731	\$ 13,815,321	\$ 13,559,362	\$ (255,959)
Public safety	9,937,364	9,937,364	9,768,128	(169,236)
Physical environment	457,297	1,641,618	1,519,647	(121,971)
Transportation	780,802	1,162,860	806,265	(356,595)
Culture and recreation	2,872,512	2,872,512	2,885,165	12,653
Court-related revenues	6,976,000	6,976,000	6,793,343	(182,657)
Other charges for services	1,763,206	1,783,206	2,583,686	800,480
Total charges for services	<u>\$ 35,802,912</u>	<u>\$ 38,188,881</u>	<u>\$ 37,915,596</u>	<u>\$ (273,285)</u>
Fines and forfeits	<u>\$ 1,558,500</u>	<u>\$ 1,653,400</u>	<u>\$ 1,869,357</u>	<u>\$ 215,957</u>
Miscellaneous revenues:				
Interest earnings	\$ 222,098	\$ 222,098	\$ 446,729	\$ 224,631
Rents and royalties	1,501,018	1,501,018	1,665,923	164,905
Sales of surplus materials	0	141,111	155,084	13,973
Contributions and donations	855,859	912,504	207,278	(705,226)
Licenses	917,500	917,500	928,296	10,796
Other miscellaneous revenues	2,334,840	4,072,032	2,317,746	(1,754,286)
Total miscellaneous revenues	<u>\$ 5,831,315</u>	<u>\$ 7,766,263</u>	<u>\$ 5,721,056</u>	<u>\$ (2,045,207)</u>
Total revenues	<u>\$ 250,099,440</u>	<u>\$ 255,976,667</u>	<u>\$ 246,345,077</u>	<u>\$ (9,631,590)</u>
EXPENDITURES				
Current:				
General government:				
Legislative	\$ 1,618,387	\$ 1,618,387	\$ 1,552,341	\$ 66,046
Executive	1,073,358	1,073,358	909,096	164,262
Financial and administrative	32,691,550	33,726,527	31,416,949	2,309,578
Legal counsel	1,536,821	1,536,821	1,499,197	37,624
Comprehensive planning	3,099,244	3,435,534	2,612,435	823,099
Court related	19,200,922	19,305,933	19,158,379	147,554
Other general government	14,448,185	15,007,239	13,571,124	1,436,115
Total general government	<u>\$ 73,668,467</u>	<u>\$ 75,703,799</u>	<u>\$ 70,719,521</u>	<u>\$ 4,984,278</u>

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

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
Expenditures (continued)				
Public safety:				
Law enforcement	\$ 51,211,298	\$ 52,325,841	\$ 52,549,223	\$ (223,382)
Detention and/or correction	43,063,887	43,858,353	43,154,522	703,831
Protective inspections	1,367,204	1,367,204	1,096,323	270,881
Emergency and disaster relief services	1,626,727	3,102,608	1,849,713	1,252,895
Medical examiner	1,600,567	1,717,493	1,743,288	(25,795)
Total public safety	\$ 98,869,683	\$ 102,371,499	\$ 100,393,069	\$ 1,978,430
Physical environment:				
Conservation and resource management	\$ 2,779,877	\$ 3,973,082	\$ 3,327,759	\$ 645,323
Transportation:				
Road and street facilities	\$ 7,301,920	\$ 7,301,920	\$ 6,845,461	\$ 456,459
Airports	653,820	859,506	456,373	403,133
Total transportation	\$ 7,955,740	\$ 8,161,426	\$ 7,301,834	\$ 859,592
Economic environment:				
Industry development	\$ 1,400,050	\$ 1,400,050	\$ 1,400,050	\$ 0
Veterans' services	334,478	334,478	300,043	34,435
Total economic environment	\$ 1,734,528	\$ 1,734,528	\$ 1,700,093	\$ 34,435
Human services:				
Health	\$ 11,574,446	\$ 11,514,361	\$ 11,161,932	\$ 352,429
Mental health	2,405,181	2,405,181	2,447,587	(42,406)
Public assistance	2,130,096	2,094,795	1,532,307	562,488
Developmental disabilities	74,753	74,753	79,271	(4,518)
Total human services	\$ 16,184,476	\$ 16,089,090	\$ 15,221,097	\$ 867,993
Culture and recreation:				
Parks and recreation	\$ 8,930,013	\$ 10,327,068	\$ 7,672,568	\$ 2,654,500
Cultural services	22,900	22,900	24,825	(1,925)
Total culture and recreation	\$ 8,952,913	\$ 10,349,968	\$ 7,697,393	\$ 2,652,575
Intergovernmental	\$ 7,586,596	\$ 7,586,596	\$ 7,586,596	\$ 0
Debt service:				
Principal	\$ 919,441	\$ 919,441	\$ 157,492	\$ 761,949
Interest	38,402	38,402	22,788	15,614
Total debt service	\$ 957,843	\$ 957,843	\$ 180,280	\$ 777,563
Total expenditures	\$ 218,690,123	\$ 226,927,831	\$ 214,127,642	\$ 12,800,189
Excess of revenues over expenditures	\$ 31,409,317	\$ 29,048,836	\$ 32,217,435	\$ 3,168,599
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 9,200,308	\$ 9,374,805	\$ 8,429,033	\$ (945,772)
Transfers out	(34,969,695)	(38,143,764)	(37,769,764)	374,000
Proceeds of the sale of capital assets	56,796	56,796	90,869	34,073
Insurance proceeds	800	149,419	237,074	87,655
Capital leases issued	0	247,219	247,219	0
Total other financing sources and uses	\$ (25,711,791)	\$ (28,315,525)	\$ (28,765,569)	\$ (450,044)
Net change in fund balances	\$ 5,697,526	\$ 733,311	\$ 3,451,866	\$ 2,718,555
Fund balances - beginning	36,319,424	36,319,424	36,319,424	0
Increase in non-spendable	0	0	53,940	53,940
Fund balances - ending	\$ 42,016,950	\$ 37,052,735	\$ 39,825,230	\$ 2,772,495

BREVARD COUNTY, FLORIDA
EMERGENCY SERVICES

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes	\$ 11,358,050	\$ 11,358,050	\$ 10,894,217	\$ (463,833)
Permits, fees and special assessments	22,574,481	22,574,481	21,937,184	(637,297)
Intergovernmental revenues	3,359,312	3,384,096	2,903,908	(480,188)
Charges for services	17,568,261	17,568,261	17,576,204	7,943
Fines and forfeits	350,000	350,000	290,402	(59,598)
Miscellaneous revenues	157,805	177,305	398,679	221,374
Total revenues	\$ 55,367,909	\$ 55,412,193	\$ 54,000,594	\$ (1,411,599)
EXPENDITURES				
Current:				
Public safety	\$ 69,932,054	\$ 71,370,295	\$ 65,711,768	\$ 5,658,527
Intergovernmental	85,500	3,282	185,004	(181,722)
Debt service:				
Principal	142,500	142,500	20,747	121,753
Interest	15,500	15,500	2,510	12,990
Total expenditures	\$ 70,175,554	\$ 71,531,577	\$ 65,920,029	\$ 5,611,548
Deficiency of revenues under expenditures	\$ (14,807,645)	\$ (16,119,384)	\$ (11,919,435)	\$ 4,199,949
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 9,401,991	\$ 9,401,991	\$ 9,428,677	\$ 26,686
Transfers out	(1,369,542)	(1,473,024)	(1,333,450)	139,574
Proceeds of the sale of capital assets	19,500	0	84,792	84,792
Capital related debt issued	658,000	658,000	0	(658,000)
Total other financing sources and uses	\$ 8,709,949	\$ 8,586,967	\$ 8,180,019	\$ (406,948)
Net change in fund balances	\$ (6,097,696)	\$ (7,532,417)	\$ (3,739,416)	\$ 3,793,001
Fund balances - beginning	20,540,523	20,540,523	20,540,523	0
Decrease in non-spendable	0	0	(852,457)	(852,457)
Fund balances - ending	\$ 14,442,827	\$ 13,008,106	\$ 15,948,650	\$ 2,940,544

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, 2017

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes	\$ 10,459,659	\$ 10,459,659	\$ 12,939,235	\$ 2,479,576
Permits, fees and special assessments	2,625,000	2,625,000	1,948,408	(676,592)
Intergovernmental revenues	8,696,469	10,296,469	10,066,128	(230,341)
Charges for services	8,749,070	8,777,922	6,055,121	(2,722,801)
Miscellaneous revenues	216,384	216,384	2,949,265	2,732,881
Total revenues	\$ 30,746,582	\$ 32,375,434	\$ 33,958,157	\$ 1,582,723
EXPENDITURES				
Current:				
Transportation	\$ 63,992,996	\$ 67,735,754	\$ 26,780,625	\$ 40,955,129
Intergovernmental	1,009,525	1,009,525	1,355	1,008,170
Debt service:				
Principal	5,325,000	5,325,000	5,325,000	0
Interest	3,390,451	4,593,007	4,561,242	31,765
Total expenditures	\$ 73,717,972	\$ 78,663,286	\$ 36,668,222	\$ 41,995,064
Deficiency of revenues under expenditures	\$ (42,971,390)	\$ (46,287,852)	\$ (2,710,065)	\$ 43,577,787
OTHER FINANCING SOURCES AND (USES)				
Transfers in	\$ 4,812,429	\$ 5,619,654	\$ 5,672,505	\$ 52,851
Transfers out	(336,606)	(336,606)	(336,606)	0
Proceeds of the sale of capital assets	35,000	35,000	84,354	49,354
Insurance proceeds	0	0	4,800	4,800
Refunding debt issued	0	49,375,000	49,375,000	0
Bond premium	0	1,553,503	1,553,503	0
Debt refunding payment	0	(49,652,931)	(49,652,931)	0
Total other financing sources and uses	\$ 4,510,823	\$ 6,593,620	\$ 6,700,625	\$ 107,005
Net change in fund balances	\$ (38,460,567)	\$ (39,694,232)	\$ 3,990,560	\$ 43,684,792
Fund balances - beginning	64,808,451	64,808,451	64,808,451	0
Increase in non-spendable	0	0	4,863	4,863
Fund balances - ending	\$ 26,347,884	\$ 25,114,219	\$ 68,803,874	\$ 43,689,655

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

BREVARD COUNTY, FLORIDA
SAVE OUR INDIAN RIVER LAGOON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 0	\$ 25,500,000	\$ 32,072,164	\$ 6,572,164
Miscellaneous revenues	0	0	50,553	50,553
Total revenues	<u>\$ 0</u>	<u>\$ 25,500,000</u>	<u>\$ 32,122,717</u>	<u>\$ 6,622,717</u>
EXPENDITURES				
Current:				
Physical environment	\$ 0	\$ 1,122,524	\$ 182,808	\$ 939,716
Intergovernmental	0	3,821,485	108,562	3,712,923
Total expenditures	<u>\$ 0</u>	<u>\$ 4,944,009</u>	<u>\$ 291,370</u>	<u>\$ 4,652,639</u>
Net change in fund balances	\$ 0	\$ 20,555,991	\$ 31,831,347	\$ 11,275,356
Fund balances - beginning	0	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 20,555,991</u>	<u>\$ 31,831,347</u>	<u>\$ 11,275,356</u>

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

BREVARD COUNTY, FLORIDA
GRANTS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental revenues	\$ 43,151,804	\$ 86,014,007	\$ 14,155,330	\$ (71,858,677)
Miscellaneous revenues	75,527	75,527	61,249	(14,278)
Total revenues	\$ 43,227,331	\$ 86,089,534	\$ 14,216,579	\$ (71,872,955)
EXPENDITURES				
Current:				
General government	\$ 317,575	\$ 435,977	\$ 292,265	\$ 143,712
Public safety	282,694	465,554	393,071	72,483
Physical environment	8,680,829	48,319,565	6,615,254	41,704,311
Transportation	23,520,526	23,622,279	2,231,237	21,391,042
Economic environment	4,407,879	6,231,238	1,354,614	4,876,624
Human services	1,981,096	2,041,528	1,605,877	435,651
Culture and recreation	616,049	1,183,800	837,212	346,588
Intergovernmental	1,510,848	3,166,848	2,077,850	1,088,998
Debt service:				
Interest	0	8,000	8,161	(161)
Total expenditures	\$ 41,317,496	\$ 85,474,789	\$ 15,415,541	\$ 70,059,248
Excess (deficiency) of revenues over (under) expenditures	\$ 1,909,835	\$ 614,745	\$ (1,198,962)	\$ (1,813,707)
OTHER FINANCING SOURCES				
Transfers in	\$ 0	\$ 9,532	\$ 31,328	\$ 21,796
Capital related debt issued	0	3,248,000	1,936,168	(1,311,832)
Total other financing sources	\$ 0	\$ 3,257,532	\$ 1,967,496	\$ (1,290,036)
Net change in fund balances	\$ 1,909,835	\$ 3,872,277	\$ 768,534	\$ (3,103,743)
Fund balances - beginning	(11,474,716)	(11,474,716)	(11,474,716)	0
Increase in non-spendable	0	0	32,359	32,359
Fund balances - ending	\$ (9,564,881)	\$ (7,602,439)	\$ (10,673,823)	\$ (3,071,384)

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

BREVARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2017

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 18,098,423	\$ 35,584,196
Cash with escrow and paying agent	0	0
Accounts receivable (net of allowance for uncollectibles)	1,211,979	212,571
Accrued interest receivable	0	0
Due from other funds	612,710	130,169
Due from other governmental units	791,006	12,154,749
Inventories	233,898	688,496
Prepaid items	1,093,040	31,054
Restricted assets:		
Cash and cash equivalents	32,957,511	2,079,022
Total current assets	<u>\$ 54,998,567</u>	<u>\$ 50,880,257</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 27,355,205	\$ 3,152,795
Easements	0	52,108
Goodwill	0	0
Construction in progress	34,683,786	42,367,923
Buildings and structures	27,678,098	21,902,532
Infrastructure	5,937,356	14,627,582
Improvements to land	566,484	0
Improvements other than buildings	16,890,708	266,223,878
Machinery and equipment	22,759,984	14,023,581
Less accumulated depreciation	(40,462,843)	(183,256,229)
Advances to other funds	9,438,051	696,105
Total noncurrent assets	<u>\$ 104,846,829</u>	<u>\$ 179,790,275</u>
Total assets	<u>\$ 159,845,396</u>	<u>\$ 230,670,532</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges for pensions	<u>\$ 2,212,007</u>	<u>\$ 2,356,406</u>

<i>Activities - Enterprise Funds</i>			<i>Governmental</i>
<i>Barefoot Bay</i>	<i>Other</i>		<i>Activities-</i>
<i>Water and Sewer</i>	<i>Business-type</i>	<i>Total</i>	<i>Internal</i>
<i>District</i>	<i>Activities</i>		<i>Service</i>
			<i>Funds</i>
\$ 2,187,823	\$ 4,319,189	\$ 60,189,631	\$ 64,128,038
0	0	0	1,125,191
203,800	138,330	1,766,680	422,322
0	1,463	1,463	0
0	0	742,879	1,837,004
27,651	15,084,684	28,058,090	866,453
75,858	0	998,252	0
46,945	21,058	1,192,097	1,458,868
<u>1,126,307</u>	<u>0</u>	<u>36,162,840</u>	<u>0</u>
<u>\$ 3,668,384</u>	<u>\$ 19,564,724</u>	<u>\$ 129,111,932</u>	<u>\$ 69,837,876</u>
\$ 5,102,165	\$ 2,241,649	\$ 37,851,814	\$ 0
0	0	52,108	0
940,130	0	940,130	0
140,516	54,656	77,246,881	0
1,339,186	4,856,521	55,776,337	0
0	0	20,564,938	0
0	8,259,880	8,826,364	0
15,240,869	1,381,467	299,736,922	0
738,741	24,157,788	61,680,094	7,379,203
(12,929,179)	(28,610,051)	(265,258,302)	(6,351,516)
0	0	10,134,156	283,682
<u>\$ 10,572,428</u>	<u>\$ 12,341,910</u>	<u>\$ 307,551,442</u>	<u>\$ 1,311,369</u>
<u>\$ 14,240,812</u>	<u>\$ 31,906,634</u>	<u>\$ 436,663,374</u>	<u>\$ 71,149,245</u>
\$ 241,015	\$ 1,520,245	\$ 6,329,673	\$ 1,102,109

BREVARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2017

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
LIABILITIES		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 1,532,188	\$ 7,117,520
Accrued interest payable	21,680	80,938
Due to other funds	0	0
Due to other governmental units	0	0
Customer deposits	392,042	456,419
Claims payable	0	0
Accrued compensated absences	80,385	78,653
Revenue bonds	635,000	510,000
Total current liabilities	<u>\$ 2,661,295</u>	<u>\$ 8,243,530</u>
Noncurrent liabilities:		
Claims payable	\$ 0	\$ 0
Landfill closure and postclosure care	51,360,144	0
Accrued compensated absences	683,603	601,513
Other postemployment benefits	913,948	916,540
Net pension liability	5,416,554	5,747,149
Advances from other funds	0	0
State revolving loan payable	0	14,620,884
Revenue bonds payable (net of unamortized premium and discount)	8,920,000	24,780,671
Total noncurrent liabilities	<u>\$ 67,294,249</u>	<u>\$ 46,666,757</u>
Total liabilities	<u>\$ 69,955,544</u>	<u>\$ 54,910,287</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred charges for pensions	\$ 458,317	\$ 472,540
NET POSITION		
Net investment in capital assets	\$ 85,853,778	\$ 139,182,615
Restricted for:		
Debt service	0	122,603
Renewal and replacement	0	1,500,000
Unrestricted	5,789,764	36,838,893
Total net position	<u>\$ 91,643,542</u>	<u>\$ 177,644,111</u>
Adjustment to reflect the consolidation of Internal Service fund activities related to Enterprise funds		
Net position of business-type activities		

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

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water and Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 43,080	\$ 2,901,045	\$ 11,593,833	\$ 1,722,704
280,026	0	382,644	0
60,000	877,127	937,127	0
0	4,355	4,355	0
68,800	0	917,261	0
0	0	0	7,787,258
7,521	46,335	212,894	70,692
653,000	0	1,798,000	0
<u>\$ 1,112,427</u>	<u>\$ 3,828,862</u>	<u>\$ 15,846,114</u>	<u>\$ 9,580,654</u>
\$ 0	\$ 0	\$ 0	\$ 10,771,601
0	0	51,360,144	0
89,043	412,986	1,787,145	260,842
84,220	521,617	2,436,325	276,904
590,791	3,668,734	15,423,228	2,709,660
420,000	9,300,000	9,720,000	0
0	0	14,620,884	0
10,882,457	0	44,583,128	0
<u>\$ 12,066,511</u>	<u>\$ 13,903,337</u>	<u>\$ 139,930,854</u>	<u>\$ 14,019,007</u>
<u>\$ 13,178,938</u>	<u>\$ 17,732,199</u>	<u>\$ 155,776,968</u>	<u>\$ 23,599,661</u>
<u>\$ 49,215</u>	<u>\$ 306,767</u>	<u>\$ 1,286,839</u>	<u>\$ 249,716</u>
\$ (963,029)	\$ 12,341,910	\$ 236,415,274	\$ 1,027,687
930,676	0	1,053,279	0
195,631	0	1,695,631	0
1,090,396	3,046,003	46,765,056	47,374,290
<u>\$ 1,253,674</u>	<u>\$ 15,387,913</u>	<u>\$ 285,929,240</u>	<u>\$ 48,401,977</u>
		3,247,132	
		<u>\$ 289,176,372</u>	

BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Business-type</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Operating revenues:		
Service fees	\$ 26,541,226	\$ 34,451,537
Operating expenses:		
Wages and benefits	\$ 9,088,752	\$ 9,225,096
Repair, maintenance, and other services	6,169,387	9,441,900
Materials and supplies	3,911,189	1,106,146
Landfill closure and postclosure care	1,895,782	0
Depreciation	3,761,205	5,631,551
Insurance claims expense	0	0
Total operating expenses	\$ 24,826,315	\$ 25,404,693
Operating income (loss)	\$ 1,714,911	\$ 9,046,844
Nonoperating revenues (expenses):		
Interest income	\$ 550,601	\$ 308,037
Interest expense	(246,463)	(898,268)
Miscellaneous revenue	255,453	70,404
Grants and matching funds	791,006	726,069
Gain (loss) on disposal of capital assets	153,294	(137,364)
Bond insurance amortization	0	0
Total nonoperating revenues (expenses)	\$ 1,503,891	\$ 68,878
Income (loss) before contributions and transfers	\$ 3,218,802	\$ 9,115,722
Capital contributions	616,018	10,821,281
Transfers in	0	0
Transfers out	(1,308,566)	(1,634,501)
Change in net position	\$ 2,526,254	\$ 18,302,502
Net position - beginning	89,117,288	159,341,609
Net position - ending	\$ 91,643,542	\$ 177,644,111

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

Change in net position of business-type activities

<i>Activities - Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water and Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 3,962,044	\$ 14,085,029	\$ 79,039,836	\$ 70,431,867
\$ 907,504	\$ 6,831,557	\$ 26,052,909	\$ 4,714,545
823,293	32,769,263	49,203,843	12,378,997
147,249	1,531,328	6,695,912	210,021
0	0	1,895,782	0
256,862	2,803,393	12,453,011	483,153
0	0	0	51,498,582
\$ 2,134,908	\$ 43,935,541	\$ 96,301,457	\$ 69,285,298
\$ 1,827,136	\$ (29,850,512)	\$ (17,261,621)	\$ 1,146,569
\$ 15,936	\$ 104,381	\$ 978,955	\$ 433,763
(586,608)	(77,627)	(1,808,966)	0
32,116	314,903	672,876	904,709
27,651	23,506,609	25,051,335	60,170
0	170,671	186,601	(5,936)
(7,029)	0	(7,029)	0
\$ (517,934)	\$ 24,018,937	\$ 25,073,772	\$ 1,392,706
\$ 1,309,202	\$ (5,831,575)	\$ 7,812,151	\$ 2,539,275
4,185	165,596	11,607,080	18,148
0	1,859,453	1,859,453	3,334,555
(114,736)	(206,334)	(3,264,137)	(143,816)
\$ 1,198,651	\$ (4,012,860)	\$ 18,014,547	\$ 5,748,162
55,023	19,400,773		42,653,815
\$ 1,253,674	\$ 15,387,913		\$ 48,401,977
		214,844	
		\$ 18,229,391	

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Business-type Activities -</i>	
	<u><i>Solid Waste Management Department</i></u>	<u><i>Water Resources Department</i></u>
Cash flows from operating activities:		
Cash receipts for service fees	\$ 25,995,882	\$ 33,953,118
Cash receipts from other sources	288,488	60,057
Cash payments to employees for services	(8,664,875)	(8,796,785)
Cash payments to suppliers for goods and services	(11,032,689)	(10,615,172)
Cash payments for insurance claims	0	0
Net cash from operating activities	<u>\$ 6,586,806</u>	<u>\$ 14,601,218</u>
Cash flows from noncapital financing activities:		
Grant receipts	\$ 0	\$ 0
Transfers in	0	0
Transfers out	(1,308,566)	(1,634,501)
Interfund loans	(9,764,185)	129,028
Net cash flows from noncapital financing activities	<u>\$ (11,072,751)</u>	<u>\$ (1,505,473)</u>
Cash flows from capital and related financing activities:		
Debt proceeds	\$ 0	\$ 8,526,241
Principal payments	(620,000)	(495,000)
Interest payments	(245,218)	(974,294)
Capital grant receipts	0	1,424,591
Transfers out	0	0
Payments to acquire, construct or improve capital assets	(5,929,750)	(31,575,938)
Proceeds from disposal of capital assets	55,446	28,251
Impact/connection fees for capital purposes	602,790	2,143,987
Net cash flows from capital and related financing activities	<u>\$ (6,136,732)</u>	<u>\$ (20,922,162)</u>
Cash flows from investing activities:		
Interest income	<u>\$ 468,702</u>	<u>\$ 304,671</u>
Net increase (decrease) in cash and cash equivalents	\$ (10,153,975)	\$ (7,521,746)
Cash and cash equivalents, October 1, 2016	61,209,909	45,184,964
Cash and cash equivalents, September 30, 2017	<u>\$ 51,055,934</u>	<u>\$ 37,663,218</u>

<i>Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water and Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 3,950,330	\$ 13,965,121	\$ 77,864,451	\$ 68,654,614
34,581	312,475	695,601	857,922
(880,930)	(6,497,147)	(24,839,737)	(4,484,750)
(969,106)	(32,990,730)	(55,607,697)	(11,042,839)
0	0	0	(49,853,444)
<u>\$ 2,134,875</u>	<u>\$ (25,210,281)</u>	<u>\$ (1,887,382)</u>	<u>\$ 4,131,503</u>
\$ 0	\$ 9,728,022	\$ 9,728,022	\$ 0
0	1,859,453	1,859,453	3,334,555
(114,736)	(9,745)	(3,067,548)	(143,816)
(60,000)	9,309,500	(385,657)	22,593
<u>\$ (174,736)</u>	<u>\$ 20,887,230</u>	<u>\$ 8,134,270</u>	<u>\$ 3,213,332</u>
\$ 0	\$ 0	\$ 8,526,241	\$ 0
(620,000)	0	(1,735,000)	0
(599,102)	0	(1,818,614)	0
24,250	165,596	1,614,437	0
0	(196,589)	(196,589)	0
(118,683)	(796,312)	(38,420,683)	(164,385)
0	148,926	232,623	101
4,185	0	2,750,962	0
<u>\$ (1,309,350)</u>	<u>\$ (678,379)</u>	<u>\$ (29,046,623)</u>	<u>\$ (164,284)</u>
\$ 15,939	\$ 104,381	\$ 893,693	\$ 433,763
\$ 666,728	\$ (4,897,049)	\$ (21,906,042)	\$ 7,614,314
2,647,402	9,216,238	118,258,513	57,638,915
<u>\$ 3,314,130</u>	<u>\$ 4,319,189</u>	<u>\$ 96,352,471</u>	<u>\$ 65,253,229</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Business-type Activities -</i>	
	<i>Solid Waste Management Department</i>	<i>Water Resources Department</i>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	\$ 1,714,911	\$ 9,046,844
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation expense	\$ 3,761,205	\$ 5,631,551
Miscellaneous revenue	255,453	70,404
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(526,944)	(55,458)
(Increase) decrease in due from other funds	129,500	0
(Increase) decrease in due from other governmental units	0	(434,964)
(Increase) decrease in prepaid items	(49,532)	(916)
(Increase) decrease in inventory of supplies	(27,072)	4,287
Increase (decrease) in vouchers and contracts payable	(954,064)	(69,516)
Increase (decrease) in due to other governmental units	0	(876)
Increase (decrease) in customer deposits	22,622	(17,867)
Increase (decrease) in claims payable	0	0
Increase (decrease) in landfill closure and postclosure care	1,836,854	0
Increase (decrease) in accrued compensated absences	77,331	66,807
Increase (decrease) in other postemployment benefits	18,269	18,138
Increase (decrease) in net pension liability	328,273	342,784
Total adjustments	\$ 4,871,895	\$ 5,554,374
Net cash from operating activities	\$ 6,586,806	\$ 14,601,218
Noncash investing, capital and financing activities:		
Capital contributed by developers, individuals, and governmental entities	\$ 13,068	\$ 7,795,438
Fair value of traded in capital assets added to the value of new assets	\$ 146,008	\$ 0

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

<i>Enterprise Funds</i>			<i>Governmental Activities- Internal Service Funds</i>
<i>Barefoot Bay Water and Sewer District</i>	<i>Other Business-type Activities</i>	<i>Total</i>	
\$ 1,827,136	\$ (29,850,512)	\$ (17,261,621)	\$ 1,146,569
\$ 256,862	\$ 2,803,393	\$ 12,453,011	\$ 483,153
32,116	314,903	672,876	904,709
(11,874)	(40,529)	(634,805)	(291,969)
0	0	129,500	(133,246)
0	(27,611)	(462,575)	(8,877)
0	(9,947)	(60,395)	809,949
(4,741)	0	(27,526)	0
6,716	1,261,572	244,708	(113,073)
0	4,355	3,479	0
2,555	0	7,310	0
0	0	0	1,096,473
0	0	0	0
(10,008)	71,411	1,836,854	0
1,654	16,025	205,541	44,382
34,459	246,659	54,086	8,440
\$ 307,739	\$ 4,640,231	\$ 952,175	184,993
\$ 2,134,875	\$ (25,210,281)	\$ 15,374,239	\$ 2,984,934
		\$ (1,887,382)	\$ 4,131,503
\$ 0	\$ 0	\$ 7,808,506	\$ 0
\$ 0	\$ 0	\$ 146,008	\$ 0

BREVARD COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2017

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 23,657,913
Accounts receivable	1,149,615
Due from other governmental units	4,934
Total assets	<u>\$ 24,812,462</u>
LIABILITIES	
Due to employees, individuals, and others	\$ 9,854,929
Due to other governmental units	4,176,811
Escrow and refundable deposits	10,780,722
Total liabilities	<u>\$ 24,812,462</u>

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

In accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), these financial statements present Brevard County and its component units. The component units represent entities for which Brevard County is financially accountable. Blended component units, although legally separate entities are, in substance, part of the government's operations and, therefore, data from these units are combined with data of the primary government. The Board of County Commissioners (Board) serves as the governing body for the following component units: the Brevard County Free Public Library District (created by Chapter 72-480, Laws of Florida), the Brevard County Mosquito Control District (created by Chapter 18437, Laws of Florida), the County Special Recreation District IV (created by Chapters 61-1909 and 71-544, Laws of Florida), the North Brevard Recreation Special District (created by County Ordinance 2000-53), and the South Brevard Recreation Special District (created by County Ordinance 2000-53). These component units are reported as governmental funds. The Board serves as the governing body of the Barefoot Bay Water and Sewer District (created by County Ordinance 99-17), which is reported as an enterprise fund. Discretely presented component units are reported in a separate column, in the government-wide financial statements, to emphasize their legal separation from Brevard County. The reporting period for each component unit ends on September 30th.

Discretely Presented Component Units

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

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

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

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

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

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

The A. Max Brewer Memorial Law Library, Brevard County Expressway Authority, and Brevard County Health Facilities Authority, are considered blended component units and reported no revenues or expenditures for the period ended September 30, 2017.

Related Organizations

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

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

B. Government-Wide and Fund Financial Statements

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

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

The Statement of Activities presents a comparison between the direct and indirect expenses of a given function or segment and its program revenues, and displays the extent to which each function or segment contributes to the change in net position for the fiscal year. Direct expenses are those that are clearly identifiable to a specific function or segment. Indirect expenses are indirect costs the County has allocated to functions through various automatic allocation methods. Program revenues consist of charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to amounts

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

received from those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Grants and contributions consist of revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues not classified as program revenues are reported as general revenues.

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

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

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

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days (ninety days for intergovernmental revenue). Revenues not available, within the sixty or ninety day period, are reported on the Balance Sheet as Deferred Inflows of Resources.

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

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

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

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

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

Spendable Fund Balance:

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

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

The following are reported as major governmental funds:

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

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

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

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

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

The following are reported as major enterprise funds:

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

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

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

The County also reports the following fund types:

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

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

D. Budget

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

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

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

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

On July 1, the Property Appraiser certifies the taxable value, which begins the Florida Truth in Millage (TRIM) timetable. During the month of July, the County Manager delivers a tentative budget to the Board of County Commissioners, and within 35 days of certification of value, the Property Appraiser is informed of the current year proposed millage rates, along with the date, time and meeting place of the tentative budget hearing. During the month of September, the Board of County Commissioners holds two public hearings to hear comments from taxpayers and adopt millage rates and the annual budget. The County's budget is legally enacted through passage of a resolution by the Board of County Commissioners.

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

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

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

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

Budget amendments totaling \$174,159,362 were enacted during the fiscal year primarily due to the issuance of refunding bonds, authorizing the appropriation of proceeds from grant revenues, unbudgeted balance forwards and the levy of the half-cent discretionary sales tax for Save Our Indian River Lagoon.

E. Interfund Receivables and Payables

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

Advances between funds, as reported in the financial statements, are offset by non-spendable fund balance in the general fund only to indicate that they are not available for appropriation and are not expendable available financial resources.

F. Capital Assets

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

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<u>Capital Asset Category</u>	<u>Capitalization Threshold</u>
Land	Capitalize all
Buildings and structures	\$35,000
Infrastructure	35,000
Improvements to land	5,000
Improvements other than buildings	5,000
Intangible assets, including easements and goodwill	5,000
Machinery and equipment	1,000
Computers	750
Weapons	Capitalize all

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

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

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

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

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

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

G. Unbilled Service Revenues

Approximately 91% of the Water Resources Department's service fee revenue is billed and collected by cities as agents for the County. Cash collected by the cities is remitted monthly to the County. The County records all revenues billed by the cities through the end of the fiscal year. Unbilled revenue, which results from cycle billing practices of the cities, is recorded in the following fiscal year.

H. Restricted Assets

The use of certain assets in enterprise funds is restricted by State law bond resolutions and agreements with various parties. Examples include – assets set aside for debt service, renewal and replacement reserves, and landfill closure and postclosure care. Assets so designated are identified as restricted assets on the Statement of Net Position.

I. Inventory and Prepaid Items

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

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

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

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

J. Cash and Cash Equivalents

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

K. Investments

Investments include non-pooled investments and certificates of deposit with original maturities of three months or greater. Investments are valued at fair market value or amortized cost in accordance with GASB Statements No. 31 and No. 72. Investments, and income from investments owned by individual funds, are recorded in the respective funds. The County maintains a consolidated account to maximize investment yields. Investment income, resulting from investments within the consolidated account, is allocated based on the cash balances for the respective funds.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

M. Accrued Compensated Absences

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

N. Property Taxes

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

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

O. Unamortized Bond Insurance

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

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P. Amortization of Discount and Premium on Bonds

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

Q. Reserves of Net Position

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

R. Use of Estimates

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

2. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the Governmental Funds Balance Sheet and the government-wide Statement of Net Position.

The Governmental Funds Balance Sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.” The details of this \$(466,455,390) difference are as follows:

Bonds and revenue notes payable	\$ (199,449,389)
Plus: Premiums (to be amortized as interest expense)	(1,451,881)
Deferred charge on refunding (to be amortized as interest expense)	1,991,042
Accrued interest payable	(1,255,163)
Leases payable	(346,725)
Notes payable	(20,425,000)
Accrued compensated absences	(32,200,771)
HUD Section 108 loan payable	(1,936,168)
Other postemployment benefits	(22,751,354)
Net pension liability	(284,328,754)
Deferred charges for pensions outflows	117,863,241
Deferred charges for pensions inflows	(22,164,468)
Net adjustment to <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (466,455,390)</u>

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

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

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The details of this \$1,099,855 difference are as follows:

Capital outlay	\$ 34,694,226
Depreciation expense	<u>(33,594,371)</u>
Net adjustment to <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,099,855</u>

Another element of the reconciliation states that "The net effect of various miscellaneous transactions involving capital assets (e.g. sales, trade-ins, and donations)" is to increase net position. The details of this \$(1,590,305) difference are as follows:

In the Statement of Activities, only the <i>gain</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.	\$ (2,288,705)
Donations of capital assets increase net position in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources.	<u>698,400</u>
Net adjustment to <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (1,590,305)</u>

Another element of the reconciliation states that the issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities. The details of this \$17,544,684 difference are as follows:

Issuance of bonds and revenue notes	\$ (49,375,000)
Premium on bond issuance	(1,553,503)
Issuance of capital lease	(247,219)
HUD Section 108 loan issued	(1,936,168)
Principal repayments:	
Bonds and revenue notes	18,546,708
Capital lease	159,240
Notes payable	1,616,000
Intergovernmental payable	681,695
Bond refunding repayment	<u>49,652,931</u>
Net adjustment to <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 17,544,684</u>

Another element of the reconciliation states that "Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this \$(20,688,659) difference are as follows:

Accrued compensated absences	\$ (2,479,415)
Other postemployment benefits	(987,337)
Net pension liability	(16,943,850)
Accrued interest	112,843
Amortization of deferred charge on refunding	(492,520)
Amortization of bond discounts/premium	<u>101,620</u>
Net adjustment to <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (20,688,659)</u>

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3. **Fund Balance Classification** – Fund balances are presented in the following categories: non-spendable, restricted, committed, assigned and unassigned (see note 1 for a description of these categories).

A detailed schedule of fund balances at September 30, 2017, is as follows:

	General Fund	Emergency Services	Brevard County Transportation Trust	Save Our Indian River Lagoon	Grants	Other Governmental Funds	Total
Non-spendable:							
Inventory	\$ 2,655,490	\$ 892,214	\$ 61,444	\$ 0	\$ 0	\$ 1,511,881	\$ 5,121,029
Prepays/deposits	387,332	257,076	0	0	168,947	27,861	841,216
Total non-spendable fund balance	\$ 3,042,822	\$ 1,149,290	\$ 61,444	\$ 0	\$ 168,947	\$ 1,539,742	\$ 5,962,245
Restricted:							
Impact fees	\$ 0	\$ 1,642,250	\$ 6,900,700	\$ 0	\$ 0	\$ 7,645,934	\$ 16,188,884
Fire rescue operations	0	6,377,815	0	0	0	0	6,377,815
Emergency communications	0	6,941,731	0	0	0	0	6,941,731
Road maintenance and improvements	0	0	57,200,026	0	0	8,345,812	65,545,838
Parks and recreation	0	0	0	0	0	11,557,700	11,557,700
Bond covenants or debt service	253,000	0	929,970	0	0	6,197,357	7,380,327
Tourism promotion and development	0	0	0	0	0	20,111,488	20,111,488
General government	0	0	0	0	425	0	425
Court records and judicial	0	0	0	0	0	1,199,260	1,199,260
Building code compliance	0	0	0	0	0	5,388,338	5,388,338
Law enforcement	0	0	0	0	0	1,906,596	1,906,596
Mosquito control	0	0	0	0	0	3,107,330	3,107,330
Libraries	0	0	0	0	0	10,804,740	10,804,740
Fines and court costs	0	0	0	0	0	2,659,288	2,659,288
Physical environment	0	0	0	31,831,347	0	11,740,388	43,571,735
Housing and human services	0	0	0	0	216,909	3,371,174	3,588,083
Total restricted fund balance	\$ 253,000	\$ 14,961,796	\$ 65,030,696	\$ 31,831,347	\$ 217,334	\$ 94,035,405	\$ 206,329,578
Committed:							
General capital facilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 495,622	\$ 495,622
Assigned:							
Road maintenance and improvements	\$ 0	\$ 0	\$ 3,711,734	\$ 0	\$ 0	\$ 0	\$ 3,711,734
Parks and recreation	2,791,172	0	0	0	0	0	2,791,172
Emergency management	1,240,750	0	0	0	0	0	1,240,750
Court and judicial	243,374	0	0	0	0	0	243,374
Permitting and engineering	2,387,233	0	0	0	0	0	2,387,233
Environment	1,006,595	0	0	0	0	0	1,006,595
Airport	497,899	0	0	0	0	0	497,899
Housing and human services	305,568	0	0	0	0	0	305,568
Total assigned fund balance	\$ 8,472,591	\$ 0	\$ 3,711,734	\$ 0	\$ 0	\$ 0	\$ 12,184,325
Unassigned fund balance	\$ 28,056,817	\$ (162,436)	\$ 0	\$ 0	\$ (11,060,104)	\$ 0	\$ 16,834,277
Total fund balances	\$ 39,825,230	\$ 15,948,650	\$ 68,803,874	\$ 31,831,347	\$ (10,673,823)	\$ 96,070,769	\$ 241,806,047

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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, 2017, 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 .70% to 1.36%.

Cash with escrow and paying agent of \$1,125,191 is accounted for in the internal service funds as an insurance reserve balance required by the County's insurance providers.

5. Investments - The investment program is established in accordance with the County's investment policy, pertinent bond resolutions and Sections 125.01 and 218.415, Florida Statutes. County Ordinance 16-14 permits investing in the State Board of Administration, State of Florida, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, Corporate Notes, Commercial Paper, Municipal Bonds, Intergovernmental Investment Pools (LGIP), Supranationals, Asset-Backed Securities and time deposits or savings accounts of financial institutions under Federal and State regulation. Obligations of the different agencies of the Federal Government include fixed rate mortgage-backed securities.

The investing of public funds with the State Board of Administration (SBA) - Local Government Surplus Funds Trust Fund (Florida Prime) - is governed by Section 218.407, Florida Statutes. The SBA is under the regulatory oversight of the State of Florida. This investment pool consists largely of Bank Instruments, Asset-Backed Security and Commercial Paper. The SBA's Florida Prime is considered a Securities and Exchange Commission (SEC) "2a7-like" fund, with the fair value of the investment equal to the account balance. A 2a7-like fund is not registered with the SEC as an investment company, but has a policy that it operates in a manner consistent with SEC's Rule 2a7 of The Investment Company Act of 1940, the rules governing money market funds. Thus, the pool operates essentially as a money market fund, but is classified as an external investment pool. The weighted average days to maturity of Florida Prime was 51 days, as of September 30, 2017. On September 30, 2017, the County had \$61,584,517 invested in Florida Prime.

The SBA's Florida Prime has limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates). With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, provides authority for the Trustees to limit contributions to, or withdrawal from, the trust fund if it is determined that there is an emergency that has a material impact on liquidity operations of the trust fund, but in no case may the time limit set by the Trustees exceed 15 days.

With regard to liquidity fees, Section 218.409(4), Florida Statutes, provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2017, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

The County also invested funds in three other Local Government Investment Pools (LGIP); the Florida Cooperative Liquid Assets Securities System (FLCLASS), the Florida Fixed Income Trust (FLFIT) and the Florida Education Investment Trust Fund (FEITF). These LGIP were created as public entity investment trusts organized under the laws of the State of Florida, Section 163.01, Florida Statutes. These LGIP are also 2a7-like pools, which are not registered with the SEC but operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, governing money market accounts. Thus, these pools operate essentially as money market funds. At September 30, 2017, FLFIT had a balance of \$20,130,473, with a weighted average maturity of .23 years; the FEITF had a balance of \$50,424,325, with a weighted average maturity of 51 days; FLCLASS had a balance of \$6,150,778, with a weighted average maturity of 56 days.

Custodial Risk

The bank amount of the County's demand deposits were \$45,089,677 at September 30, 2017. The demand deposits are insured by the FDIC up to \$250,000 per entity. Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Deposits Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the County pursuant to Section

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280.08, Florida Statutes. Corporate Notes, Municipal bonds, U.S. Treasury Notes, Supranationals, Asset-Backed Securities and all federal agency obligations are held by the County's agent in the County's name.

Credit Risk

Concentration of credit risk is the risk of loss attributable to a government's investment in a single issuer. To limit concentration of credit risk, the County's policy restricts the amount that is allowed to be invested in any one issuer. Federal instrumentalities are limited to no more than 40% per issuer. Supranationals, Asset-Backed Securities and Corporate Notes are limited to 5% per issuer. Investments in Federal Home Loan Bank, Federal Home Loan Mortgage Corp., and Federal National Mortgage Association represented 8%, 4%, and 16% 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 overall credit rating of the assets held by the County by Standard & Poor's is AA+. The County's policy requires that Corporate Notes must have a minimum rating in category "A" by either Moody's or Standard & Poor's. The Corporate Notes currently held in the portfolio have a Standard & Poor's rating of A. The credit quality of the federal agency securities is AA+, municipal bonds is AA-, Supranationals is AAA, and Asset-Backed securities is AAA, as rated by Standard & Poor's. The Local Government Investment Pool's Florida Prime, FEITF and FLCLASS were rated AAAM, and FLFIT was rated AAAF by Standard & Poor's, at September 30, 2017.

Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, the County investment policy prohibits purchases of securities with final maturities of 10 years or greater. The policy also limits the overall weighted average duration of principal return for the entire portfolio to less than 3 years. The County's current weighted average duration is 1.20 years.

As of September 30, 2017, the County had the following investments and maturities:

	Fair Value	Less Than 1 Year	1-2 Years	2-3 Years	Over 3 Years
Corporate Notes	\$ 51,983,685	\$ 14,720,800	\$ 9,267,360	\$ 26,798,033	\$ 1,197,492
Municipal Bonds	3,492,255	0	3,492,255	0	0
Federal Home Loan Bank	20,013,676	0	20,013,676	0	0
Federal Home Loan Mortgage Corp.	9,158,318	0	6,248,859	995,254	1,914,205
Federal National Mortgage Association	38,237,767	0	35,557,943	1,496,430	1,183,394
Asset-Backed Securities	25,548,424	0	0	1,600,692	23,947,732
Supranationals	10,498,851	0	2,752,724	7,746,127	0
U.S. Treasury Bonds/Notes	34,088,452	0	8,198,767	25,889,685	0
Money Market Accounts	11,069,803	11,069,803	0	0	0
Certificates of Deposit	40,079,976	30,079,976	10,000,000	0	0
Total	\$ 244,171,207	\$ 55,870,579	\$ 95,531,584	\$ 64,526,221	\$ 28,242,823

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

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

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

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The following table presents a summary of the County's investments according to the assigned fair value hierarchy level as of September 30, 2017.

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate Notes	\$ 51,983,685	\$ 0	\$ 51,983,685	\$ 0
Municipal Bonds	3,492,255	0	3,492,255	0
Federal Home Loan Bank	20,013,676	0	20,013,676	0
Federal Home Loan Mortgage Corp.	9,158,318	0	9,158,318	0
Federal National Mortgage Association	38,237,767	0	38,237,767	0
Asset-Backed Securities	25,548,424	0	25,548,424	0
Supranationals	10,498,851	0	10,498,851	0
U.S. Treasury Bonds/Notes	34,088,452	0	34,088,452	0
Total	\$ 193,021,428	\$ 0	\$ 193,021,428	\$ 0

The carrying amount of the discretely presented component units' deposits with financial institutions was \$11,761,837 and the bank balance was \$11,974,803, which is insured by FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes. On September 30, 2017, the component units had \$71,453 invested in Florida Prime. The Housing Finance Authority (a component unit) also had investments in mortgage-backed securities with AAA rating and a weighted average maturity of 14 years. The fair value of the component units Government National Mortgage Association and Federal National Mortgage Association securities on September 30, 2017, was \$438,891.

6. Receivables - The accounts receivable for the governmental activities of \$12,841,156 are net of allowances for doubtful accounts of \$3,666,923. Emergency Services charges are net of mandatory contractual adjustments in the amount of \$7,130,628 for Medicare/Medicaid and Champus. Having billed these organizations, the County is federally mandated to accept their allowable charges for services rendered.

The accounts receivable for the business-type activities of \$1,766,680 are net of allowances for doubtful accounts of \$115,762.

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

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

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

For the fiscal year ended September 30, 2017, the County abated property taxes totaling \$689,909 under this program.

Purpose	Amount
Manufacturing	\$ 560,705
Telecommunications	28,491
Warehousing, distribution and trucking terminals	59,528
Miscellaneous	41,185
	<u>\$ 689,909</u>

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8. Prepaid Items - The prepaid items include \$1,392,148 of premiums on insurance policies, and \$4,048,111 of maintenance/service agreements and other prepayments.

9. Capital Assets

Capital assets activity for the year ended September 30, 2017, was as follows:

Primary Government				
Governmental Activities:				
	<u>Oct. 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2017</u>
Capital assets not depreciated:				
Land	\$ 254,759,141	\$ 975,727	\$ 207,502	\$ 255,527,366
Easements	315,072	255,461	0	570,533
Construction in progress	54,499,447	20,870,357	12,208,200	63,161,604
Total assets not depreciated	<u>\$ 309,573,660</u>	<u>\$ 22,101,545</u>	<u>\$ 12,415,702</u>	<u>\$ 319,259,503</u>
Capital assets depreciated:				
Buildings and structures	\$ 301,106,279	\$ 2,156,996	\$ 1,353,417	\$ 301,909,858
Infrastructure	235,832,098	6,976,710	1,294,000	241,514,808
Improvements to land	68,751,634	1,610,981	131,499	70,231,116
Improvements other than buildings	42,336,550	1,594,405	68,896	43,862,059
Machinery and equipment	197,477,066	13,393,754	14,104,450	196,766,370
Total assets depreciated	<u>\$ 845,503,627</u>	<u>\$ 25,732,846</u>	<u>\$ 16,952,262</u>	<u>\$ 854,284,211</u>
Less accumulated depreciation:				
Buildings and structures	\$ 99,845,628	\$ 7,840,286	\$ 341,178	\$ 107,344,736
Infrastructure	73,439,911	6,170,190	480,894	79,129,207
Improvements to land	26,153,433	3,064,263	85,833	29,131,863
Improvements other than buildings	23,193,360	2,292,275	55,635	25,430,000
Machinery and equipment	142,366,802	14,757,096	11,655,118	145,468,780
Total accumulated depreciation	<u>\$ 364,999,134</u>	<u>\$ 34,124,110</u>	<u>\$ 12,618,658</u>	<u>\$ 386,504,586</u>
Total depreciable capital assets, net	<u>\$ 480,504,493</u>	<u>\$ (8,391,264)</u>	<u>\$ 4,333,604</u>	<u>\$ 467,779,625</u>
Total governmental activities capital assets, net	<u>\$ 790,078,153</u>	<u>\$ 13,710,281</u>	<u>\$ 16,749,306</u>	<u>\$ 787,039,128</u>
Business-type Activities:				
	<u>Oct. 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2017</u>
Capital assets not depreciated:				
Land	\$ 37,690,226	\$ 161,588	\$ 0	\$ 37,851,814
Easements	52,108	0	0	52,108
Goodwill	940,130	0	0	940,130
Construction in progress	58,014,046	35,263,407	16,030,572	77,246,881
Total assets not depreciated	<u>\$ 96,696,510</u>	<u>\$ 35,424,995</u>	<u>\$ 16,030,572</u>	<u>\$ 116,090,933</u>
Capital assets depreciated:				
Buildings and structures	\$ 54,024,452	\$ 1,751,885	\$ 0	\$ 55,776,337
Infrastructure	12,887,507	7,677,431	0	20,564,938
Improvements to land	8,826,364	0	0	8,826,364
Improvements other than buildings	286,678,983	14,150,343	1,092,404	299,736,922
Machinery and equipment	60,199,040	3,424,536	1,943,482	61,680,094
Total assets depreciated	<u>\$ 422,616,346</u>	<u>\$ 27,004,195</u>	<u>\$ 3,035,886</u>	<u>\$ 446,584,655</u>
Less accumulated depreciation:				
Buildings and structures	\$ 25,063,612	\$ 1,280,040	\$ 0	\$ 26,343,652
Infrastructure	3,468,289	566,570	0	4,034,859
Improvements to land	7,263,432	186,973	0	7,450,405
Improvements other than buildings	182,202,613	4,198,844	1,068,493	185,332,964
Machinery and equipment	37,787,266	6,227,340	1,918,184	42,096,422
Total accumulated depreciation	<u>\$ 255,785,212</u>	<u>\$ 12,459,767</u>	<u>\$ 2,986,677</u>	<u>\$ 265,258,302</u>
Total depreciable capital assets, net	<u>\$ 166,831,134</u>	<u>\$ 14,544,428</u>	<u>\$ 49,209</u>	<u>\$ 181,326,353</u>
Total business-type activities capital assets, net	<u>\$ 263,527,644</u>	<u>\$ 49,969,423</u>	<u>\$ 16,079,781</u>	<u>\$ 297,417,286</u>

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

Governmental Activities:

General government	\$ 6,837,302
Public safety	9,245,451
Physical environment	1,323,379
Transportation	7,244,394
Economic environment	82,481
Human services	444,953
Culture and recreation	8,416,411
Internal service funds	483,153
Total	<u>\$ 34,077,524</u>

The increase in accumulated depreciation for governmental activities of \$34,124,110 differs from depreciation expense of \$34,077,524 because of accumulated depreciation in the amount of \$46,586 associated with assets transferred from business-type activities.

Business-type Activities:

Solid Waste Management Department	\$ 3,761,205
Water Resources Department	5,631,551
Barefoot Bay Water and Sewer District	256,862
Space Coast Area Transit	2,572,796
Brevard County Golf Courses	230,597
Total	<u>\$ 12,453,011</u>

The increase in accumulated depreciation for business-type activities of \$12,459,767 differs from depreciation expense of \$12,453,011 because of accumulated depreciation in the amount of \$6,756 associated with assets transferred from governmental activities.

Component Units

	<u>Oct. 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Sept. 30, 2017</u>
Titusville-Cocoa Airport Authority				
Capital assets not depreciated:				
Land	\$ 14,493,599	\$ 0	\$ 0	\$ 14,493,599
Construction in progress	7,776,257	235,670	2,361,168	5,650,759
Total assets not depreciated	<u>\$ 22,269,856</u>	<u>\$ 235,670</u>	<u>\$ 2,361,168</u>	<u>\$ 20,144,358</u>
Capital assets depreciated:				
Buildings and structures	\$ 25,220,193	\$ 2,024,641	\$ 0	\$ 27,244,834
Improvements to land	1,614,241	0	0	1,614,241
Improvements other than buildings	31,469,357	336,527	0	31,805,884
Machinery and equipment	3,737,481	0	0	3,737,481
Total assets depreciated	<u>\$ 62,041,272</u>	<u>\$ 2,361,168</u>	<u>\$ 0</u>	<u>\$ 64,402,440</u>
Less accumulated depreciation:				
Buildings and structures	\$ 9,417,231	\$ 694,471	\$ 0	\$ 10,111,702
Improvements to land	429,571	47,446	0	477,017
Improvements other than buildings	11,198,416	974,487	0	12,172,903
Machinery and equipment	2,993,612	239,267	0	3,232,879
Total accumulated depreciation	<u>\$ 24,038,830</u>	<u>\$ 1,955,671</u>	<u>\$ 0</u>	<u>\$ 25,994,501</u>
Total depreciable capital assets, net	<u>\$ 38,002,442</u>	<u>\$ 405,497</u>	<u>\$ 0</u>	<u>\$ 38,407,939</u>
Total capital assets, net	<u>\$ 60,272,298</u>	<u>\$ 641,167</u>	<u>\$ 2,361,168</u>	<u>\$ 58,552,297</u>

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10. Construction and Other Significant Commitments - At September 30, 2017, the County had several uncompleted construction contracts, agreements with cities for park maintenance, and other contractual commitments as follows:

<u>Project Title</u>	<u>Remaining Committed</u>
Utilities services	\$ 18,214,630
Lagoon projects	3,300,752
Government facilities	3,026,825
Road projects	3,006,735
Parks maintenance and improvements	2,395,207
Stadium improvements	1,966,726
Transit services	1,697,672
Total	<u>\$ 33,608,547</u>

The County executed agreements to accept the donation of land, public safety facilities, and cash in return for reimbursing the developer from future impact fees generated by building activity. The cash is to build a causeway interchange and improve the transportation network. The moratorium on transportation impact fees enacted in March of 2009 was repealed in December of 2016. The total costs for finalized public safety facilities and roadway construction projects were \$9,085,919. The County and developer are expected to finalize another \$20 million for road expansion to be recovered from future impact fees within the prescribed area; however, the project payment schedule is not currently available.

The anticipated future payments are as follows:

<u>Year Ended September 30</u>	<u>Amount</u>
2018	\$ 2,065,000
2019	2,565,000
2020	1,247,519
2021	65,000
2022	65,000
2023-2027	325,000
2028-2032	325,000
2033-2037	325,000
2038-2042	325,000
2043-2045	232,070
Total anticipated future payments	<u>\$ 7,539,589</u>

Pursuant to State statute, various local jurisdictions have created 22 Community Redevelopment Agencies (CRAs) within the County, including one formed by the County and reported as a blended component unit. Funding for these agencies is derived from incremental ad valorem tax proceeds generated by improvements made within the CRA. The County is obligated to pay to each CRA from its current year's ad valorem tax proceeds the increment related to taxable property improvements made since the designated "base year." Other jurisdictions which have created CRAs are the cities of Cape Canaveral, Cocoa, Cocoa Beach, Melbourne, Palm Bay, Palm Shores, Rockledge, Satellite Beach, Titusville and West Melbourne. The total amount paid to CRAs by the County amounted to \$4,945,763 for fiscal year 2017.

The County created the North Brevard Economic Development Zone, which is reported as a blended component unit, to facilitate economic activities through targeted investments. The Zone has entered into \$18.4 million of incentive commitments that involve retail, manufacturing and aerospace facilities. The incentive payments will be issued in financial installments when construction, job creation or other performance measures are attained. The total amount paid to the Zone by the County amounted to \$2,965,933 for fiscal year 2017.

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11. Interfund Receivable and Payable Balances - The composition of interfund balances as of September 30, 2017, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Grants	\$ 554,000
	Other Governmental Funds	122,683
	Other Business-type Activities	299,500
Emergency Services	General Fund	82,686
	Grants	65,033
Transportation Trust	Grants	770,000
Nonmajor Governmental Funds	General Fund	568,296
	Grants	11,389,673
Solid Waste Management Department	General Fund	35,083
	Other Business-type Activities	577,627
Water Resources Department	General Fund	70,169
	Barefoot Bay Water and Sewer District	60,000
Internal Service	General Fund	1,553,321
	Other Governmental Funds	283,683
Total Interfund Receivables and Payables		<u>\$ 16,431,754</u>

These balances resulted from the time lag between the dates that interfund goods and services were provided and the payments between funds were made, along with temporary loans that were paid back at the beginning of fiscal year 2018.

12. Advances To and From Other Funds - The General Fund Advances from Other Funds represent loans from Solid Waste Management (\$138,051), Water Resources (\$276,105), and Surface Water Improvement (\$138,024) for construction of an administrative office building. The \$552,180 balance is not scheduled to be paid in fiscal year 2018. The Barefoot Bay Water and Sewer District Advances from Other Funds is a loan from the Water Resources Department (\$420,000) for the acquisition and interconnection cost of the Snug Harbor Utility System. The loan will be repaid from future revenues of the system. Solid Waste Collection Advances from Other Funds is a loan from Solid Waste Management (\$9,300,000) for expenses incurred as a result of Hurricane Matthew. The loan will be repaid from the Federal Emergency Management Agency, the State of Florida, and future revenue sources. General Government Facilities Advances from Other Funds is a loan from Risk Management (\$283,682) for improvements to an election facility. The loan will be repaid from future general revenues.

13. 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 Statement of Net Position date. The estimated costs of closure and postclosure care are subject to changes, such as the effects of inflation, revision of laws, and other variables. For the year ending September 30, 2017, the expense for closure and postclosure care for the landfills was \$1,895,782.

The following information is for the year ending September 30, 2017:

	<u>Landfill capacity</u>	<u>Landfill capacity used</u>	<u>Reported liability</u>	<u>Estimated remaining liability</u>	<u>Remaining life (years)</u>
Sarno Road	7,141,205 cu/yds	84%	\$16,148,218	\$3,063,377	7
Central Disposal	23,565,393 cu/yds	95%	\$35,211,926	\$1,692,997	2

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 \$32,565,469 have been restricted for this purpose within the Solid Waste Management Department Fund.

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14. Leases

- A. The County has entered into numerous capital lease arrangements for the purpose of acquiring operating and office equipment. The future minimum lease payments at September 30, 2017, are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Governmental</u> <u>Activities</u>
2018	\$ 123,210
2019	100,431
2020	100,432
2021	<u>53,256</u>
Total minimum lease payments	\$ 377,329
Less amount representing interest	<u>30,604</u>
Present value of minimum lease payments	<u>\$ 346,725</u>

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

	<u>Governmental</u> <u>Activities</u>
Machinery and equipment	\$ 532,193
Accumulated depreciation	<u>\$ 99,973</u>

- B. The County leases office facilities, equipment, service and maintenance, office equipment, and vehicles, under noncancelable operating leases and cancelable operating leases. Total cost for noncancelable operating leases and cancelable operating leases were \$815,801 and \$871,635 respectively, for the year ended September 30, 2017. The future minimum lease payments for noncancelable operating leases are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2018	\$ 752,999
2019	631,956
2020	295,573
2021	114,046
2022	82,844
2023-2027	92,088
2028-2031	<u>67,603</u>
Total minimum lease payable	<u>\$ 2,037,109</u>

15. Bonded and Other Indebtedness

A. Governmental Activities

\$26,335,000 2013 Limited Ad Valorem Tax Refunding Bond - due in annual installments of \$2,520,000 to \$2,835,000 through September 1, 2024, interest at 1.93%; issued to refund all the outstanding 2005 Limited Ad Valorem Tax Bonds and pay certain costs of issuances; payable from ad valorem tax revenues.

\$18,730,000

\$9,465,000 2011 North Brevard Recreation Special District, Limited Ad Valorem Tax Bond - due in annual installments of \$980,000 to \$1,060,000 through July 1, 2021; interest at 2.85%; issued to refund all of the outstanding 2001 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds, and pay certain costs of issuance; payable from ad valorem tax revenues.

\$4,075,000

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<p>\$7,160,000 2016 North Brevard Recreation Special District, Limited Ad Valorem Tax Bond – due in annual installments of \$160,000 to \$1,315,000 through July 1, 2026; interest at 2.125%; issued to refund all of the outstanding 2007 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds, and pay certain cost of issuance; payable from ad valorem tax revenues.</p>	<p>\$7,010,000</p>
<p>\$27,850,000 2011 South Brevard Recreation Special District, Limited Ad Valorem Tax Bond - due in annual installments of \$2,875,000 to \$3,130,000 through July 1, 2021; interest at 2.85%; issued to refund all of the outstanding 2001 South Brevard Recreation Special District Limited Ad Valorem Tax Bonds, and pay certain cost of issuance; payable from ad valorem tax revenues.</p>	<p>\$11,995,000</p>
<p>\$26,060,000 2016 South Brevard Recreation Special District, Limited Ad Valorem Tax Bond – due in annual installments of \$1,930,000 to \$3,335,000 through July 1, 2026; interest at 1.590%; issued to refund all of the outstanding 2007 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds, and pay certain cost of issuance; payable from ad valorem tax revenues.</p>	<p>\$24,185,000</p>
<p>\$8,075,000 2011 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bond - due in annual installments of \$830,000 to \$905,000 through July 1, 2021; interest at 2.85%; issued to refund all of the outstanding 2001 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds and pay certain costs of issuance; payable from ad valorem tax revenues.</p>	<p>\$3,475,000</p>
<p>\$5,645,000 2016 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bond – due in annual installments of \$255,000 to \$905,000 through July 1, 2026; interest at 2.105%; issued to refund all of the outstanding 2007 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds, and pay certain cost of issuance; payable from ad valorem tax revenues.</p>	<p>\$5,400,000</p>
<p>\$13,435,000 2013 Subordinated Sales Tax Refunding Revenue Bond - due in annual installments of \$965,000 to \$1,255,000 through December 1, 2025; interest rate 1.93%, issued to currently refund the Sales Tax Refunding and Improvement Revenue Bonds, Series 2003, and partially advance refund the Sales Tax Revenue Bonds, Series 2005; payable from the half-cent sales tax distributed to the County.</p>	<p>\$10,135,000</p>
<p>\$19,550,000 2010 Subordinated Sales Tax Refunding Revenue Bond - due in annual installments of \$480,000 to \$1,060,000 through December 1, 2026; interest at 2.50%; issued to refund all of the outstanding 2001 Sales Tax Refunding and Improvement Revenue Bonds and pay certain costs of issuance; payable from the half-cent sales tax distribution to the County.</p>	<p>\$6,285,000</p>
<p>\$9,475,000 2010 Non-Ad Valorem Revenue Note, - due in annual installments of \$1,005,000 to \$1,100,000 through December 1, 2020; interest at 2.86%; issued to refund all of the outstanding Florida Local Government Finance Commission Pooled Commercial Paper Notes, finance and refinance various capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.</p>	<p>\$4,215,000</p>
<p>\$6,000,000 2012 Non-Ad Valorem Revenue Note - due in annual installments of \$265,000 to \$390,000 through December 1, 2031; interest at 2.78%; issued to finance the cost of various capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.</p>	<p>\$4,830,000</p>
<p>\$15,730,000 2014 Non-Ad Valorem Revenue Note - due in semi-annual installments of \$285,407 to \$696,551 through November 1, 2032; interest at 3.52%; issued to finance various energy, water and wastewater performance capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.</p>	<p>\$14,659,389</p>

BREVARD COUNTY, FLORIDA
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\$13,545,000 2015 Constitutional Fuel Tax Refunding Revenue Bond – due in annual installments of \$2,800,000 to \$2,875,000 through August 1, 2020; interest at 1.43%; issued to refund all of the outstanding 2005 Constitutional Fuel Tax Revenue Bonds and pay certain cost of issuance; payable from constitutional fuel tax revenues. \$8,515,000

\$32,025,000 2014 Local Option Fuel Tax Refunding Revenue Bond - due in annual installments of \$2,640,000 to \$3,280,000 through August 1, 2026; interest at 2.77%; issued to partially advance refund the Local Option Fuel Tax Revenue Bonds, Series 2005, and pay certain costs of issuances: payable from local option fuel tax revenues. \$26,565,000

\$49,375,000 2016 Local Option Fuel Tax Refunding Revenue Bonds – serial bonds due in annual installments of \$60,000 to \$4,605,000 through August 1, 2033; interest at 3.00% to 5.00%; term bonds maturing on August 1, 2035, are subject to mandatory redemption in the amount of \$4,785,000 on August 1, 2034 and \$4,975,000 at maturity; interest at 4.00%; term bonds maturing August 1, 2037 are subject to mandatory redemption in the amount of \$5,180,000 on August 1, 2036 and \$5,395,000 at maturity; interest at 4.125%; issued to refund all of the outstanding 2007 Local Option Fuel Tax Revenue Bonds and pay certain cost of issuance; payable from local option fuel tax revenues. \$49,375,000

\$26,302,000 Commercial Paper - issued as part of the Florida Local Government Finance Commission Pooled Commercial Paper Notes program; outstanding balance due at various dates; interest, which is variable, averaged 2.02% for the year ended September 30, 2017; this variable rate is based on the underlying commercial paper that is purchased during the fiscal year, the interest rate ranged from 1.87% to 2.12%; issued to fund 800 MHz Public Safety radio system upgrade, construction of T-hangars at the Valkaria Airport, purchase of helicopters for Mosquito Control; payable from the County's general revenues. \$20,425,000

B. Business-type Activities

\$10,500,000 2016 Solid Waste Management System Revenue Bond – due in annual installments of \$635,000 to \$845,000 through September 1, 2030; interest at 2.410%; issued to finance the acquisition, construction and equipping of various capital improvements to the County's solid waste disposal system for expansion of the Central Disposal Facility; payable from the net revenues of the system. \$9,555,000

\$25,475,000 2014 Water and Wastewater Utility Revenue Bonds – serial bonds due in annual installments of \$510,000 to \$1,205,000 through September 1, 2040; interest at 2.50% to 5.00%; term bonds maturing on September 1, 2044 are subject to mandatory redemption in the amount of \$1,260,000 to \$1,415,000 from September 1, 2041, to final maturity; interest at 4.00%; issued to finance the acquisition, construction and equipping of various capital improvements to the County's utility system; payable from the net revenues of the system. \$24,070,000

\$17,135,000 2000 Utility Bonds (Barefoot Bay Utility System) - term bonds maturing October 1, 2018, are subject to mandatory redemption in amounts of \$585,000 to \$615,000 from October 1, 2016, 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. \$10,405,000

BREVARD COUNTY, FLORIDA
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\$1,547,000 2009A Subordinated Sales Tax Revenue Bond - due in annual installments of \$68,000 to \$113,000 through December 1, 2029; interest at 4.18%; issued to fund the repair and renovation of utility improvements for the Barefoot Bay Wastewater Treatment Plant; revenue is secured by a subordinate lien on the sales tax revenues along with the covenant to budget and appropriate from legally available non ad valorem revenues; payable from revenues of the utility system. \$1,152,000

C. Component Units

\$2,000,000 Titusville-Cocoa Airport Authority Note - payable in equal monthly installments over 15 years through 2030; interest at 3.69%; issued to refinance the Authority's 2003 Bank Note and to finance capital improvement projects; payable from gross revenues of the Authority. \$1,728,412

\$118,293 Titusville-Cocoa Airport Authority Note - payable in equal monthly installments over 15 years through 2018; interest at 2.50%; issued as part of a land swap transaction; payable from gross revenues of the Authority. \$6,253

D. Summary of Long-term Liabilities

The long-term liability activity for the year ended September 30, 2017, was as follows:

	<u>Oct. 1, 2016</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2017</u>	<u>Due within one year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 84,170,000	\$ 0	\$ 9,300,000	\$ 74,870,000	\$ 9,550,000
Revenue bonds	107,400,000	49,375,000	55,900,000	100,875,000	7,690,000
Deferred amounts:					
Premiums	678,493	1,553,503	780,115	1,451,881	0
Total bonds payable	<u>\$ 192,248,493</u>	<u>\$ 50,928,503</u>	<u>\$ 65,980,115</u>	<u>\$ 177,196,881</u>	<u>\$ 17,240,000</u>
Revenue notes	25,486,097	0	1,781,708	23,704,389	1,855,555
Commercial paper notes	22,041,000	0	1,616,000	20,425,000	7,392,000
HUD Section 108 Loan	0	1,936,168	0	1,936,168	165,000
Leases payable	258,746	247,219	159,240	346,725	109,372
Accrued compensated absences	30,008,507	6,411,292	3,887,494	32,532,305	3,551,704
Net pension liability	260,013,022	51,662,884	24,637,492	287,038,414	0
OPEB liability	22,032,481	995,777	0	23,028,258	0
Claims and judgments	17,462,386	50,949,917	49,853,444	18,558,859	7,787,258
Intergovernmental payable	681,695	0	681,695	0	0
Governmental activities long-term liabilities	<u>\$ 570,232,427</u>	<u>\$ 163,131,760</u>	<u>\$ 148,597,188</u>	<u>\$ 584,766,999</u>	<u>\$ 38,100,889</u>
	<u>Oct. 1, 2016</u>	<u>Increase</u>	<u>Decrease</u>	<u>Sept. 30, 2017</u>	<u>Due within one year</u>
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 46,917,000	\$ 0	\$ 1,735,000	\$ 45,182,000	\$ 1,798,000
Deferred amounts:					
Discounts	(24,769)	0	(3,226)	(21,543)	0
Premiums	1,297,247	0	76,576	1,220,671	0
Total bonds payable	<u>\$ 48,189,478</u>	<u>\$ 0</u>	<u>\$ 1,808,350</u>	<u>\$ 46,381,128</u>	<u>\$ 1,798,000</u>
Landfill closure and postclosure care	49,523,291	1,895,782	58,929	51,360,144	0
State revolving loan	1,356,309	13,264,575	0	14,620,884	0
Accrued compensated absences	1,794,498	459,000	253,459	2,000,039	212,894
Net pension liability	13,925,779	2,894,347	1,396,898	15,423,228	0
OPEB liability	2,382,239	54,086	0	2,436,325	0
Business-type activities long-term liabilities	<u>\$ 117,171,594</u>	<u>\$ 18,567,790</u>	<u>\$ 3,517,636</u>	<u>\$ 132,221,748</u>	<u>\$ 2,010,894</u>

BREVARD COUNTY, FLORIDA
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Component units:	Oct. 1, 2016	Increase	Decrease	Sept. 30, 2017	Due within one year
Notes payable	\$ 1,851,446	\$ 0	\$ 116,781	\$ 1,734,665	\$ 117,945
Accrued compensated absences	115,005	77,778	90,254	102,529	102,529
Net pension liability	1,120,012	859,398	757,439	1,221,971	0
OPEB liability	125,000	1,948	1,587	125,361	0
Intergovernmental payable	50,000	0	50,000	0	0
Component units					
long-term liabilities	\$ 3,261,463	\$ 939,124	\$ 1,016,061	\$ 3,184,526	\$ 220,474

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Claims and judgments liability is liquidated by the Risk Management internal service fund. For accrued compensated absences, the General Fund normally liquidates 72% and the Emergency Services Fund normally liquidates 9%. The remaining 19% is liquidated by other governmental funds and internal service funds.

E. Total Annual Debt Service Requirements

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

The annual requirements to amortize all debt outstanding at September 30, 2017, are as follows:

Year Ending September 30	Governmental activities					
	General Obligation Bonds		Revenue Bonds		Commercial Paper, Notes and Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 9,550,000	\$ 1,565,696	\$ 7,690,000	\$ 3,330,203	\$ 9,521,927	\$ 1,118,439
2019	9,800,000	1,344,082	7,840,000	3,165,431	15,225,403	890,716
2020	10,025,000	1,116,543	7,395,000	3,004,574	2,278,293	659,868
2021	10,290,000	883,612	4,635,000	2,847,693	2,310,167	590,911
2022	7,920,000	644,329	4,750,000	2,728,910	1,133,884	537,210
2023-2027	27,285,000	1,146,526	23,360,000	11,810,083	6,560,019	2,096,139
2028-2032	0	0	20,265,000	7,797,144	8,321,038	910,681
2033-2037	0	0	24,940,000	3,131,419	1,061,551	26,206
Total	\$ 74,870,000	\$ 6,700,788	\$ 100,875,000	\$ 37,815,457	\$ 46,412,282	\$ 6,830,170

Year Ending September 30	Business-type activities				Component units	
	Revenue Bonds		Loan		Notes and Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 1,798,000	\$ 1,746,132	\$ 0	\$ 0	\$ 117,945	\$ 62,811
2019	1,866,000	1,676,025	329,772	76,029	115,942	58,504
2020	1,944,000	1,603,735	664,697	146,904	120,204	54,242
2021	2,012,000	1,529,104	671,628	139,973	124,931	49,515
2022	2,100,000	1,445,809	678,631	132,970	129,686	44,760
2023-2027	11,842,000	5,859,835	3,500,783	557,221	726,224	146,006
2028-2032	9,940,000	3,617,043	3,687,143	370,860	399,733	18,856
2033-2037	4,870,000	2,494,069	3,883,424	174,581	0	0
2038-2042	6,035,000	1,334,950	1,204,806	12,595	0	0
2043-2047	2,775,000	167,600	0	0	0	0
Total	\$ 45,182,000	\$ 21,474,302	\$ 14,620,884	\$ 1,611,133	\$ 1,734,665	\$ 434,694

BREVARD COUNTY, FLORIDA
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16. HUD Section 108 Loan Payable – The County entered into a loan guarantee program with the United States Department of Housing and Urban Development (HUD), for the construction of a health department building and a waterline in West Canaveral Groves. The maximum amount of the loan is \$3,248,000. The loan bears a variable interest rate which adjusts monthly equal to 20 basis points (0.2%) above London Inter-bank Offered Rate (LIBOR), until such time HUD converts the Loan to a fixed rate obligation. The rate as of September 30, 2017 was 1.516%. Interest payments are made quarterly; the first principal payment is due August 1, 2018, with final maturity of August 1, 2037. The amount of the loan payable at September 30, 2017 is \$1,936,168. The repayment schedule will be finalized upon the completion. Grant revenues will be utilized to repay HUD.

Funds provided under this agreement have been identified as federal financial assistance and are reported in the Schedule of Expenditures of Federal Awards and State Financial Assistance.

17. State Revolving Loan Payable – A Grant Disbursement Agreement was executed 12/21/2015 for Brevard County through the State of Florida Department of Environmental Protection to finance a regional wastewater treatment facilities expansion and improvement project in the form of a Clean Water State Revolving Fund Loan. The maximum amount of the loan is \$41,604,325. The loan bears an interest rate of 1.04%, with 40 semiannual payments due in June and December of each fiscal year beginning June 15, 2019.

The amount of the loan payable at September 30, 2017 is \$14,620,884. The repayment schedule has been estimated based on the outstanding current balance, and will be finalized when the project has been completed and inspected by the grantor.

Funds provided under this agreement have been identified as state financial assistance and are reported in the Schedule of Expenditures of Federal Awards and State Financial Assistance.

18. Current and Advance Refunding of Debt - During fiscal year ended September 30, 2017, the County completed an advance refunding of the outstanding Local Option Fuel Tax Revenue Bonds Series 2007 to effect an overall reduction in debt service. The advance refunding was financed through sinking fund contribution and the issuance of \$49,375,000 Local Option Fuel Tax Refunding Revenue Bonds, Series 2016. The net proceeds were deposited into an irrevocable escrow account and invested at an amount sufficient for the payment of all principal and interest due on the refunded bonds. As a result, the respective liens of the refunded bonds were defeased and the County's obligation on the refunded debt was satisfied. The refunding transaction has saved the County aggregate debt service savings of \$4,444,979, and will result in an economic gain or present value savings of \$2,995,629. During fiscal year 2017, the Local Option Fuel Tax Bonds Series 2007, were fully retired.

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

The following tabulation indicates the degree of compliance with the bond resolution covenant in the Barefoot Bay Water and Sewer District and the Water Resources Department at September 30, 2017. This coverage test compares the required debt coverage against the revenue available after operating and maintenance expenses, as defined by the bond covenants.

	Barefoot Bay Water and Sewer District	Water Resources Department
Gross revenues available for compliance	\$ 4,010,096	\$ 34,829,978
Operating and maintenance expense	1,992,782	19,918,920 (1)
Amount of revenue over operating and maintenance expense	\$ 2,017,314	\$ 14,911,058
Debt coverage required	\$ 1,190,024	\$ 1,616,828
Percent coverage for the year ended September 30, 2017	170%	922%

(1) Excludes payments in lieu of taxes in the amount of \$1,488,723.

BREVARD COUNTY, FLORIDA
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20. Condensed Financial Statements - Discretely Presented Component Units

A. Statement of Net Position

	North Brevard County Public Library District	Merritt Island Redevelopment Agency	North Brevard Economic Development Zone	Titusville- Cocoa Airport Authority	Housing Finance Authority	Total
Assets:						
Other assets	\$ 6,725	\$ 1,382,832	\$ 3,037,434	\$ 2,232,770	\$ 7,214,407	\$ 13,874,168
Capital assets, net of accumulated depreciation	0	0	0	58,552,297	0	58,552,297
Total assets	\$ 6,725	\$ 1,382,832	\$ 3,037,434	\$ 60,785,067	\$ 7,214,407	\$ 72,426,465
Deferred outflows of resources						
Deferred charges for pensions	\$ 0	\$ 0	\$ 0	\$ 575,904	\$ 0	\$ 575,904
Liabilities:						
Current liabilities	\$ 0	\$ 21,766	\$ 5,136	\$ 318,994	\$ 158,470	\$ 504,366
Noncurrent liabilities	0	0	0	3,184,526	0	3,184,526
Total liabilities	\$ 0	\$ 21,766	\$ 5,136	\$ 3,503,520	\$ 158,470	\$ 3,688,892
Deferred inflows of resources						
Deferred charges for pensions	\$ 0	\$ 0	\$ 0	\$ 63,480	\$ 0	\$ 63,480
Net position:						
Net investment in capital assets	\$ 0	\$ 0	\$ 0	\$ 56,817,632	\$ 0	\$ 56,817,632
Unrestricted	6,725	1,361,066	3,032,298	976,339	7,055,937	12,432,365
Total net position	\$ 6,725	\$ 1,361,066	\$ 3,032,298	\$ 57,793,971	\$ 7,055,937	\$ 69,249,997

B. Statement of Activities

	North Brevard County Public Library District	Merritt Island Redevelopment Agency	North Brevard Economic Development Zone	Titusville- Cocoa Airport Authority	Housing Finance Authority	Total
Expenses:						
Total expenses	\$ 699	\$ 2,174,774	\$ 1,371,760	\$ 3,961,939	\$ 137,338	\$ 7,646,510
Program revenues:						
Charges for services	\$ 40	\$ 0	\$ 10,475	\$ 2,500,348	\$ 108,008	\$ 2,618,871
Operating grants and contributions	0	37,433	0	0	0	37,433
Capital grants and contributions	0	0	0	155,695	0	155,695
Total program revenues	\$ 40	\$ 37,433	\$ 10,475	\$ 2,656,043	\$ 108,008	\$ 2,811,999
Net program revenues (expenses)	\$ (659)	\$ (2,137,341)	\$ (1,361,285)	\$ (1,305,896)	\$ (29,330)	\$ (4,834,511)
General revenues:						
Taxes	\$ 0	\$ 1,058,244	\$ 3,108,626	\$ 0	\$ 0	\$ 4,166,870
Other general revenues	0	23,259	24,688	67	21,620	69,634
Total general revenues	\$ 0	\$ 1,081,503	\$ 3,133,314	\$ 67	\$ 21,620	\$ 4,236,504
Changes in net position	\$ (659)	\$ (1,055,838)	\$ 1,772,029	\$ (1,305,829)	\$ (7,710)	\$ (598,007)
Net position - beginning	7,384	2,416,904	1,260,269	59,099,800	7,063,647	69,848,004
Net position - ending	\$ 6,725	\$ 1,361,066	\$ 3,032,298	\$ 57,793,971	\$ 7,055,937	\$ 69,249,997

21. Risk Management - The County is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has established a Risk Management fund (an Internal Service Fund) to account for and finance its insurable risks of loss. Under the Risk Management fund program, the County retains exposure up to a maximum of \$500,000 for each worker's compensation claim, \$100,000 for each auto liability claim, and \$50,000 for each general liability claim. For all risk property, the County retains exposure up to a maximum of \$100,000 per occurrence, all perils. For weather catastrophes, as a result of named storms, the County retains exposure of

BREVARD COUNTY, FLORIDA
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3% of Total Insurable Values (TIV) with a minimum of \$500,000 per occurrence. For flood losses, the County retains exposure of 3% of TIV with a minimum of \$1,000,000 for any one occurrence in a special flood hazard area. For floods due to named storms, the exposure is 3% of TIV with a minimum of \$500,000; any other flood outside of a special flood hazard area is \$500,000.

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

The County has established a self-insured Employee Group Health Insurance Program to account for medical insurance claims of County employees, retirees under the age of 65 and their covered dependents. Under this program, the fund provides the employee with coverage that meets or exceeds Minimum Essential Coverage (MEC) standards in accordance with federal mandates under the Patient Protection and Affordable Care Act (PPACA) for a large employer group health plan. Ongoing implementation of additional PPACA mandates will follow the timeline established for large employer group health plans through 2018. With the implementation of federal mandates removing annual and lifetime benefit caps from large employer group health plans in 2014, the County reinitiated Stop Loss / excess insurance coverage for its self-insured medical claims in the 2014 plan year. The County had self-insured this exposure since 2010. Stop Loss coverage has a specific deductible of \$600,000 per claim and an aggregating deductible of \$306,500 for the 2017 plan year. The County has contracted with various agencies (third party administrators) to perform certain administrative functions, such as monitoring, reviewing and paying claims.

All County departments participate in the self-insurance programs and make payments to the Risk Management fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of \$18,558,859 in the Risk Management fund, reported at September 30, 2017, 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 2016 and 2017 were:

	<u>2016</u>	<u>2017</u>
Beginning of fiscal year liability	\$ 18,130,732	\$ 17,462,386
Current year claims	52,057,663	50,949,917
Claims payments	<u>(52,726,009)</u>	<u>(49,853,444)</u>
Balance at fiscal year end	<u>\$ 17,462,386</u>	<u>\$ 18,558,859</u>

The claims liability at September 30, 2017, has been calculated as follows:

Present value of estimated outstanding losses (estimated losses of \$20,745,970, discounted to reflect future investment earnings at 1.0%)	\$ 19,971,743
Unallocated loss adjustment expenses (calculated at 7.5% of outstanding losses excluding medical insurance)	1,244,059
Estimated recoveries on settled claims	<u>(2,656,943)</u>
Claims liability at September 30, 2017	<u>\$ 18,558,859</u>

BREVARD COUNTY, FLORIDA
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22. Interfund Transfers - Monies are transferred from one fund to support expenditures of another fund in accordance with legally established budgets. Transfers between funds during the year ending September 30, 2017, were:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Emergency Services	\$ 9,426,127
	Brevard County Transportation Trust	5,422,302
	Grants	9,532
	Other Governmental Funds	18,989,684
	Other Business-type Activities	1,859,453
	Internal Service Funds	2,062,666
Emergency Services	General Fund	841,065
	Brevard County Transportation Trust	7,628
	Other Governmental Funds	93,675
	Internal Service Funds	391,082
Brevard County Transportation Trust	General Fund	245,000
	Emergency Services	658
	Other Governmental Funds	7,071
	Internal Service Funds	83,877
Other Governmental Funds	General Fund	4,545,833
	Brevard County Transportation Trust	242,575
	Grants	21,796
	Other Governmental Funds	2,030,538
	Internal Service Funds	499,142
Solid Waste Management Department	General Fund	1,093,363
	Other Governmental Funds	73,178
	Internal Service Funds	142,025
Water Resources Department	General Fund	1,280,443
	Emergency Services	1,892
	Other Governmental Funds	211,885
	Internal Service Funds	140,281
Barefoot Bay Water and Sewer District	General Fund	98,406
	Other Governmental Funds	16,330
Other Business-type Activities	General Fund	196,589
	Other Governmental Funds	9,745
Internal Service Funds	General Fund	128,334
	Internal Service Funds	15,482
Total Transfers		<u>\$ 50,187,657</u>

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

23. Deferred Compensation - The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or for an unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants.
24. Contingent Liabilities - There are a number of pending lawsuits in which the County is involved. Although the outcome is not readily determinable, resolution of these matters is not expected to have an adverse effect on the financial condition of the County.

BREVARD COUNTY, FLORIDA
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25. Retirement Plan

Florida Retirement System:

General Information - All of the County's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

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

For the fiscal year ended September 30, 2017, the County's pension expense totaled \$42,662,297 for the FRS Pension Plan and HIS Plan.

Pension Plan

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

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

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

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

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2016 through June 30, 2017 and from July 1, 2017 through September 30, 2017, respectively, were as follows:

Regular	7.52%	and	7.92%
Special risk administrative support	28.06%	and	34.63%
Special risk	22.57%	and	23.27%
Senior management service	21.77%	and	22.71%
Elected officers	42.47%	and	45.50%
DROP participants	12.99%	and	13.26%

These employer contribution rates include 1.66% HIS Plan subsidy for the periods October 1, 2016 through June 30, 2017, and from July 1, 2017 through September 30, 2017.

The County's contributions to the Pension Plan, including employee contributions, totaled \$21,184,447 for the fiscal year ended September 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2017, the County reported a liability of \$240,707,827 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The County's proportion of the net pension liability was based on the County's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2016 through June 30, 2017, relative to the total employer contributions received from all participating employers. The County's proportionate share of the net pension liability was based on the County's 2016-2017 fiscal year contributions relative to the 2015-2016 fiscal year contributions of all participating members. At June 30, 2017, the County's proportionate share was .81 percent, which was a decrease of .01 percent from its proportionate share measured as of June 30, 2016.

For the fiscal year ended September 30, 2017, the County recognized pension expense of \$38,143,540. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 22,091,186	\$ 1,333,398
Change of assumptions	80,894,824	0
Net difference between projected and actual earnings on Pension Plan investments	0	5,965,341
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	5,444,278	9,136,820
County Pension Plan contributions subsequent to the measurement date	6,351,837	0
Total	<u>\$ 114,782,125</u>	<u>\$ 16,435,559</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

The deferred outflows of resources related to the Pension Plan, totaling \$6,351,837 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2018	\$ 10,541,771
2019	31,248,700
2020	22,786,128
2021	5,240,453
2022	16,216,707
Thereafter	5,960,970

Actuarial Assumptions – The actuarial assumptions that determined the total pension liability as of June 30, 2017 were based on the results of an actuarial experience study for the period July 1, 2008 - June 30, 2013.

Valuation date	July 1, 2016	July 1, 2017
Measurement date	June 30, 2016	June 30, 2017
Inflation	2.60%	2.60%
Salary increases including inflation	3.25%	3.25%
Mortality	Generational RP-2000 with Projection Scale BB	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual entry age	Individual entry age
Investment rate of return, net of investment expense	7.60%	7.10%

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.0%	3.0%	1.8%
Fixed income	18.0%	4.5%	4.4%	4.2%
Global equity	53.0%	7.8%	6.6%	17.0%
Real estate (property)	10.0%	6.6%	5.9%	12.8%
Private equity	6.0%	11.5%	7.8%	30.0%
Strategic investments	12.0%	6.1%	5.6%	9.7%
Assumed inflation - mean			2.6%	1.9%

Discount Rate - The discount rate used to measure the total pension liability was 7.10%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate- The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 7.10%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.10%) or one percentage point higher (8.10%) than the current rate:

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
County's proportionate share of the net position liability	\$ 435,666,628	\$ 240,707,827	\$ 78,847,354

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

Retiree Health Insurance Subsidy Program

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

Benefits Provided – For the fiscal year ended September 30, 2017, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2017 the HIS contribution was 1.66%. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled \$3,056,537 for the fiscal year ended September 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2017, the County reported a liability of \$61,753,815 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The County's proportionate share of the net pension liability was based on the County's 2016-2017 fiscal year contributions relative to the 2015-2016 fiscal year contributions of all participating members. At June 30, 2017, the County's proportionate share was .58 percent, which was the proportionate share measured as of June 30, 2016.

For the fiscal year ended September 30, 2017, the County recognized pension expense of \$4,518,757. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 128,581
Change of assumptions	8,680,463	5,339,918
Net difference between projected and actual earnings on HIS Plan investments	34,247	0
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	925,316	1,796,965
County HIS Plan contributions subsequent to the measurement date	872,872	0
Total	<u>\$ 10,512,898</u>	<u>\$ 7,265,464</u>

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

The deferred outflows of resources related to the HIS Plan, totaling \$872,872, resulting from County contributions to the HIS Plan, subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2018	\$ 833,655
2019	827,174
2020	824,064
2021	552,201
2022	173,505
Thereafter	(836,037)

Actuarial valuations for the HIS program are conducted biennially. The July 1, 2016, HIS valuation is the most recent actuarial valuation and was used to develop the liabilities as of July 30, 2017. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of a later GASB measurement date using standard actuarial roll forward procedures.

Actuarial Assumptions – The actuarial assumptions that determined the total pension liability as of June 30, 2017 were based on certain results of an actuarial experience study of the FRS for the period July 1, 2008 - June 30, 2013.

Valuation date	July 1, 2016	July 1, 2016
Measurement date	June 30, 2016	June 30, 2017
Inflation	2.60%	2.60%
Salary increases including inflation	3.25%	3.25%
Mortality	Generational RP-2000 with Projection Scale BB	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual entry age	Individual entry age
Investment rate of return, net of investment expense	2.85%	3.58%

Discount Rate - The discount rate used to measure the total pension liability was 3.58%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate- The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 3.58%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.58%) or one percentage point higher (4.58%) than the current rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
County's proportionate share of the net position liability	\$ 70,469,281	\$ 61,753,815	\$ 54,494,313

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements for the Investment Plan, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates as the Pension Plan, which are based on salary and membership class (Regular Class, Elected County Officers, etc.). Contributions are directed to individual member's accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during fiscal year 2017, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

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

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2017, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County's Investment Plan pension expense totaled \$3,551,053 for the fiscal year ended September 30, 2017.

26. Other Postemployment Benefits

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

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

As of September 30, 2017, the membership of the County's medical plan consisted of:

	<u>County</u>
Active Employees	4,340
Retirees, Spouses and Beneficiaries	<u>1,318</u>
Total	<u><u>5,658</u></u>

Funding Policy - The maximum employer contribution target is 56% of the annual premium cost of the plan. The annual premium costs for the plan's self-insured plans are between \$4,056 and \$8,616 for retirees and spouses under age 65. Beginning with the 2016 plan year, all Medicare eligible retirees and dependents are enrolled in fully-insured Medicare Advantage or supplement plans. This action removed over 650 Medicare eligible retirees from the group self-insured plan resulting in the significant reduction in the County's unfunded actuarial accrued liability. Employees hired prior to January 1, 2006 are eligible to receive 100% of the earned percentage of benefits for their lifetime upon attainment of age 62 and completion of 6 years of service or upon completing 30 years of service, if earlier. Employees hired on or after January 1, 2006 are eligible to receive a graduated earned percentage of benefits upon retirement based on years of service.

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

The following table shows the actuarial determined components of the obligation as of September 30, 2015, 2016 and 2017 based on the plan provisions:

	<u>Sept. 30, 2015</u>	<u>Sept. 30, 2016</u>	<u>Sept. 30, 2017</u>
Annual required contribution	\$ 3,572,786	\$ 2,198,105	\$ 2,213,953
Interest on net OPEB contribution	247,675	233,457	244,147
Adjustment to annual required contribution	<u>(950,195)</u>	<u>(895,643)</u>	<u>(936,658)</u>
Annual OPEB cost (expense)	\$ 2,870,266	\$ 1,535,919	\$ 1,521,442
Contributions made	<u>(4,292,117)</u>	<u>(466,910)</u>	<u>(471,579)</u>
Increase (decrease) in net OPEB obligation	\$ (1,421,851)	\$ 1,069,009	\$ 1,049,863
Net OPEB obligation - beginning of year	<u>24,767,562</u>	<u>23,345,711</u>	<u>24,414,720</u>
Net OPEB obligation - end of year	<u><u>\$ 23,345,711</u></u>	<u><u>\$ 24,414,720</u></u>	<u><u>\$ 25,464,583</u></u>
Percentage of annual OPEB cost contributed	150%	30%	31%

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

Funded Status and Funding Progress - As of the October 1, 2016, actuarial valuation date, the actuarial accrued liability for benefits was \$19,893,775, all of which was unfunded. The annual payroll of active employees covered by the OPEB plan for fiscal year 2017 was \$189,091,628 and the ratio of the UAAL to the covered payroll was 10.5%. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time, relative to the actuarial accrued liabilities for benefits.

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

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

The actuarial methods are:

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

The actuarial assumptions are:

Investment rate of return	1.00%
Payroll growth/inflation	0%
Healthcare cost trend rate	6.33% for fiscal year 2017, decreasing to 5% for the 2021 fiscal year.

27. Subsequent Events - On January 17, 2018, the County issued \$9,700,000 Barefoot Bay Water and Sewer District – Utility Refunding Revenue Bonds, Series 2018. The proceeds of the bonds were used to achieve a current refunding of all of the outstanding Utility Revenue Bonds, Series 2000.

On February 28, 2018, the County issued \$20,210,000 Brevard County Non-Ad Valorem Revenue Note Series 2018A. The proceeds of the bonds were used to payoff outstanding Florida Local Government Finance Commission Pooled Commercial Paper Notes, and finance general aviation capital improvements at Valkaria Airport.

The County has evaluated subsequent events through March 27, 2018, the date which the financial statements were available to be issued.

BREVARD COUNTY, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 FOR THE RETIREE HEALTH PLAN
 SEPTEMBER 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/01/2007	\$ 0	\$ 136,333,419	\$ 136,333,419	0.0%	\$ 188,328,613	72.4%
10/01/2008	\$ 0	\$ 136,333,419	\$ 136,333,419	0.0%	\$ 184,571,358	73.9%
10/01/2009	\$ 0	\$ 93,372,773	\$ 93,372,773	0.0%	\$ 178,802,238	52.2%
10/01/2010	\$ 0	\$ 95,645,627	\$ 95,645,627	0.0%	\$ 168,549,917	56.7%
10/01/2011	\$ 0	\$ 110,382,010	\$ 110,382,010	0.0%	\$ 168,325,000	65.5%
10/01/2012	\$ 0	\$ 110,847,862	\$ 110,847,862	0.0%	\$ 172,955,409	64.1%
10/01/2013	\$ 0	\$ 62,481,801	\$ 62,481,801	0.0%	\$ 180,439,430	34.6%
10/01/2014	\$ 0	\$ 60,076,951	\$ 60,076,951	0.0%	\$ 177,481,236	33.8%
10/01/2015	\$ 0	\$ 18,752,023	\$ 18,752,023	0.0%	\$ 183,693,714	10.2%
10/01/2016	\$ 0	\$ 19,893,775	\$ 19,893,775	0.0%	\$ 189,091,628	10.5%

BREVARD COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FLORIDA RETIREMENT SYSTEM PENSION PLAN
SEPTEMBER 30, 2017

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

*Fiscal Year	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Employee Payroll	County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.79%	\$ 101,446,487	\$ 177,481,236	57.16%	92.00%
2016	0.82%	\$ 206,679,018	\$ 183,693,714	112.51%	84.88%
2017	0.81%	\$ 240,707,827	\$ 189,091,628	127.30%	83.89%

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

Fiscal Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2015	\$ 19,149,010	\$ (19,149,010)	\$ 0	\$ 177,481,236	10.79%
2016	\$ 19,961,116	\$ (19,961,116)	\$ 0	\$ 183,693,714	10.87%
2017	\$ 21,184,447	\$ (21,184,447)	\$ 0	\$ 189,091,628	11.20%

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

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

BREVARD COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREE HEALTH INSURANCE SUBSIDY PROGRAM
SEPTEMBER 30, 2017

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

*Fiscal Year	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Employee Payroll	County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.59%	\$ 59,703,642	\$ 177,481,236	33.64%	0.50%
2016	0.58%	\$ 67,259,783	\$ 183,693,714	36.62%	0.97%
2017	0.58%	\$ 61,753,815	\$ 189,091,628	32.66%	1.64%

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

Fiscal Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2015	\$ 2,237,840	\$ (2,237,840)	\$ 0	\$ 177,481,236	1.26%
2016	\$ 2,958,057	\$ (2,958,057)	\$ 0	\$ 183,693,714	1.61%
2017	\$ 3,056,537	\$ (3,056,537)	\$ 0	\$ 189,091,628	1.62%

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

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

Nonmajor Governmental Funds

Special Revenue Funds

Recreation Special Districts - to account for ad valorem tax levies, service charges and other funding sources for the provision of recreation facilities and programs.

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

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

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

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

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

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

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

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

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

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

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

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

Debt Service Funds

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

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

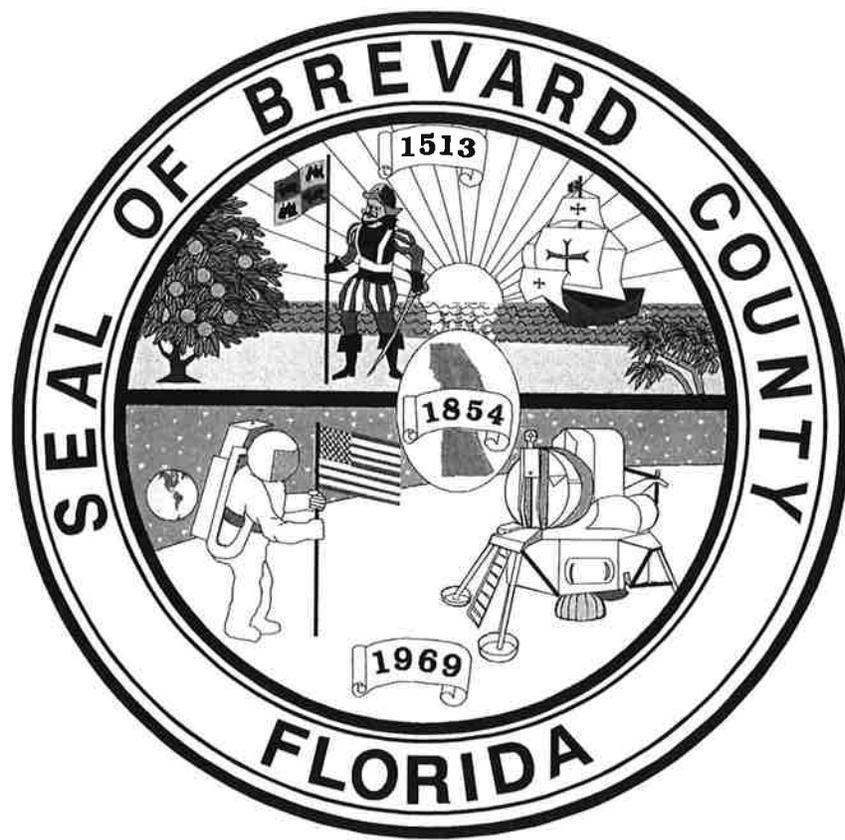
Loans - to fund the construction of T-hangars and special assessment projects, finance the dredging of channels and canals, acquisition of land and buildings, and purchase of various capital equipment.

Capital Projects Funds

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

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

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



BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	<u>Special Revenue</u>	
	<u>Recreation Special Districts</u>	<u>Brevard County Free Public Library District</u>
ASSETS		
Cash	\$ 5,805,724	\$ 11,046,988
Receivables (net of allowance for uncollectibles):		
Accounts	713	46,822
Taxes	19,920	34,560
Due from other funds	84,906	123,521
Due from other governmental units	523,725	470,586
Inventory of supplies	254,242	29,374
Advances to other funds	0	0
Prepaid items	1,574	15,962
Total assets	<u>\$ 6,690,804</u>	<u>\$ 11,767,813</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Vouchers and contracts payable	\$ 499,765	\$ 411,767
Accrued wages and benefits payable	0	0
Due to other funds	0	0
Due to other governmental units	1,001	824
Advances from other funds	0	0
Unearned revenue	0	0
Total liabilities	<u>\$ 500,766</u>	<u>\$ 412,591</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-intergovernmental	\$ 523,726	\$ 470,586
Unavailable revenue-taxes and assessments	19,920	34,560
Unavailable revenue-future reimbursements	0	0
Total deferred inflows of resources	<u>\$ 543,646</u>	<u>\$ 505,146</u>
Fund balances:		
Non-spendable	\$ 255,816	\$ 45,336
Restricted	5,390,576	10,804,740
Committed	0	0
Total fund balances	<u>\$ 5,646,392</u>	<u>\$ 10,850,076</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,690,804</u>	<u>\$ 11,767,813</u>

<i>Special Revenue</i>				
<i>Brevard County Mosquito Control District</i>	<i>Special Road and Bridge Districts</i>	<i>Surface Water Improvement Division</i>	<i>Fines and Court Costs</i>	<i>Special Law Enforcement District</i>
\$ 3,409,158	\$ 9,086,089	\$ 3,042,980	\$ 3,135,572	\$ 2,024,227
0	5,000	21,471	139,146	818
12,915	16,434	13,543	0	34,564
48,790	39,675	8,573,670	0	128,959
24,141	4,627	168,420	18,312	49,500
943,639	246,584	0	3,900	0
0	0	138,024	0	0
0	4,421	0	5,904	0
<u>\$ 4,438,643</u>	<u>\$ 9,402,830</u>	<u>\$ 11,958,108</u>	<u>\$ 3,302,834</u>	<u>\$ 2,238,068</u>
\$ 354,541	\$ 784,945	\$ 93,508	\$ 440,579	\$ 207
0	0	0	0	270,801
0	0	0	96,810	25,873
32	7	0	0	27
0	0	0	0	0
0	0	0	78,041	0
<u>\$ 354,573</u>	<u>\$ 784,952</u>	<u>\$ 93,508</u>	<u>\$ 615,430</u>	<u>\$ 296,908</u>
\$ 20,186	\$ 4,627	\$ 110,669	\$ 18,312	\$ 0
12,915	16,434	13,543	0	34,564
0	0	0	0	0
<u>\$ 33,101</u>	<u>\$ 21,061</u>	<u>\$ 124,212</u>	<u>\$ 18,312</u>	<u>\$ 34,564</u>
\$ 943,639	\$ 251,005	\$ 0	\$ 9,804	\$ 0
3,107,330	8,345,812	11,740,388	2,659,288	1,906,596
0	0	0	0	0
<u>\$ 4,050,969</u>	<u>\$ 8,596,817</u>	<u>\$ 11,740,388</u>	<u>\$ 2,669,092</u>	<u>\$ 1,906,596</u>
<u>\$ 4,438,643</u>	<u>\$ 9,402,830</u>	<u>\$ 11,958,108</u>	<u>\$ 3,302,834</u>	<u>\$ 2,238,068</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	<i>Special Revenue</i>	
	<i>Education Impact Fees</i>	<i>Tourist Development Tax</i>
ASSETS		
Cash	\$ 7,645,934	\$ 18,136,531
Receivables (net of allowance for uncollectibles):		
Accounts	0	66,596
Taxes	0	0
Due from other funds	0	2,766,500
Due from other governmental units	0	3,847,835
Inventory of supplies	0	8,943
Advances to other funds	0	0
Prepaid items	0	0
Total assets	\$ 7,645,934	\$ 24,826,405
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Vouchers and contracts payable	\$ 0	\$ 1,693,883
Accrued wages and benefits payable	0	0
Due to other funds	0	0
Due to other governmental units	0	19,388
Advances from other funds	0	0
Unearned revenue	0	0
Total liabilities	\$ 0	\$ 1,713,271
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-intergovernmental	\$ 0	\$ 2,992,703
Unavailable revenue-taxes and assessments	0	0
Unavailable revenue-future reimbursements	0	0
Total deferred inflows of resources	\$ 0	\$ 2,992,703
Fund balances:		
Non-spendable	\$ 0	\$ 8,943
Restricted	7,645,934	20,111,488
Committed	0	0
Total fund balances	\$ 7,645,934	\$ 20,120,431
Total liabilities, deferred inflows of resources, and fund balances	\$ 7,645,934	\$ 24,826,405

<i>Special Revenue</i>				<i>Debt Service</i>
<i>State Housing Initiative Partnership</i>	<i>Environmentally Endangered Land Program</i>	<i>Brevard County Building Code Compliance</i>	<i>Records Modernization Trust</i>	<i>Limited Ad Valorem Tax Bonds</i>
\$ 3,554,608	\$ 1,276,917	\$ 5,512,871	\$ 1,232,785	\$ 6,071,331
22,807	0	0	0	0
0	3,463	0	0	25,104
0	13,736	0	0	93,639
0	53,874	22,993	0	0
0	25,199	0	0	0
0	0	0	0	0
0	0	0	9,937	0
<u>\$ 3,577,415</u>	<u>\$ 1,373,189</u>	<u>\$ 5,535,864</u>	<u>\$ 1,242,722</u>	<u>\$ 6,190,074</u>
\$ 183,434	\$ 7,176	\$ 111,580	\$ 30,401	\$ 745
0	0	0	13,061	0
0	0	0	0	0
0	72	12,953	0	51
0	0	0	0	0
0	0	0	0	0
<u>\$ 183,434</u>	<u>\$ 7,248</u>	<u>\$ 124,533</u>	<u>\$ 43,462</u>	<u>\$ 796</u>
\$ 0	\$ 53,874	\$ 22,993	\$ 0	\$ 0
0	3,463	0	0	25,104
22,807	0	0	0	0
<u>\$ 22,807</u>	<u>\$ 57,337</u>	<u>\$ 22,993</u>	<u>\$ 0</u>	<u>\$ 25,104</u>
\$ 0	\$ 25,199	\$ 0	\$ 0	\$ 0
3,371,174	1,283,405	5,388,338	1,199,260	6,164,174
0	0	0	0	0
<u>\$ 3,371,174</u>	<u>\$ 1,308,604</u>	<u>\$ 5,388,338</u>	<u>\$ 1,199,260</u>	<u>\$ 6,164,174</u>
<u>\$ 3,577,415</u>	<u>\$ 1,373,189</u>	<u>\$ 5,535,864</u>	<u>\$ 1,242,722</u>	<u>\$ 6,190,074</u>

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	<u>Debt Service</u>	
	<u>Sales Tax Revenue Bonds</u>	<u>Loans</u>
ASSETS		
Cash	\$ 0	\$ 33,211
Receivables (net of allowance for uncollectibles):		
Accounts	0	0
Taxes	0	0
Due from other funds	0	0
Due from other governmental units	0	0
Inventory of supplies	0	0
Advances to other funds	0	0
Prepaid items	0	0
	<u>0</u>	<u>0</u>
Total assets	<u>\$ 0</u>	<u>\$ 33,211</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Vouchers and contracts payable	\$ 0	\$ 28
Accrued wages and benefits payable	0	0
Due to other funds	0	0
Due to other governmental units	0	0
Advances from other funds	0	0
Unearned revenue	0	0
	<u>0</u>	<u>0</u>
Total liabilities	<u>\$ 0</u>	<u>\$ 28</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-intergovernmental	\$ 0	\$ 0
Unavailable revenue-taxes and assessments	0	0
Unavailable revenue-future reimbursements	0	0
	<u>0</u>	<u>0</u>
Total deferred inflows of resources	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances:		
Non-spendable	\$ 0	\$ 0
Restricted	0	33,183
Committed	0	0
	<u>0</u>	<u>0</u>
Total fund balances	<u>\$ 0</u>	<u>\$ 33,183</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 0</u>	<u>\$ 33,211</u>

Capital Projects

<i>General Government Facilities</i>	<i>Parks and Recreation Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Total</i>
\$ 1,148,695	\$ 3,488,378	\$ 1,989,640	\$ 87,641,639
0	0	0	303,373
0	0	0	160,503
0	84,573	0	11,957,969
0	0	0	5,184,013
0	0	0	1,511,881
0	0	0	138,024
0	0	0	37,798
<u>\$ 1,148,695</u>	<u>\$ 3,572,951</u>	<u>\$ 1,989,640</u>	<u>\$ 106,935,200</u>
\$ 85,708	\$ 676,883	\$ 1,989	\$ 5,377,139
0	0	0	283,862
283,683	0	0	406,366
0	0	0	34,355
283,682	0	0	283,682
0	0	0	78,041
<u>\$ 653,073</u>	<u>\$ 676,883</u>	<u>\$ 1,989</u>	<u>\$ 6,463,445</u>
\$ 0	\$ 0	\$ 0	\$ 4,217,676
0	0	0	160,503
0	0	0	22,807
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,400,986</u>
\$ 0	\$ 0	\$ 0	\$ 1,539,742
0	2,896,068	1,987,651	94,035,405
495,622	0	0	495,622
<u>\$ 495,622</u>	<u>\$ 2,896,068</u>	<u>\$ 1,987,651</u>	<u>\$ 96,070,769</u>
<u>\$ 1,148,695</u>	<u>\$ 3,572,951</u>	<u>\$ 1,989,640</u>	<u>\$ 106,935,200</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Special Revenue</i>	
	<i>Recreation Special Districts</i>	<i>Brevard County Free Public Library District</i>
REVENUES		
Taxes	\$ 11,157,260	\$ 16,296,537
Permits, fees and special assessments	0	139,328
Intergovernmental revenues	10,434	0
Charges for services	944,050	0
Fines and forfeits	0	562,163
Miscellaneous revenues	689,370	306,116
Total revenues	\$ 12,801,114	\$ 17,304,144
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	17,924,991	14,879,368
Intergovernmental	0	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	\$ 17,924,991	\$ 14,879,368
Excess (deficiency) of revenues over (under) expenditures	\$ (5,123,877)	\$ 2,424,776
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 10,131,637	\$ 345,275
Transfers out	(1,252,536)	(1,412,954)
Proceeds of the sale of capital assets	65,480	0
Insurance proceeds	5,601	0
Total other financing sources and uses	\$ 8,950,182	\$ (1,067,679)
Net change in fund balances	\$ 3,826,305	\$ 1,357,097
Fund balances - beginning	1,702,813	9,549,896
Increase (decrease) in non-spendable	117,274	(56,917)
Fund balances - ending	\$ 5,646,392	\$ 10,850,076

Special Revenue

<i>Brevard County Mosquito Control District</i>	<i>Special Road and Bridge Districts</i>	<i>Surface Water Improvement Division</i>	<i>Fines and Court Costs</i>	<i>Special Law Enforcement District</i>
\$ 6,436,680	\$ 5,187,484	\$ 0	\$ 0	\$ 16,993,403
0	0	5,945,741	0	0
36,674	0	416,262	0	64,544
25,583	0	75,501	3,037,326	195,750
0	0	0	530,140	0
38,047	79,046	124,158	1,071,324	123,184
<u>\$ 6,536,984</u>	<u>\$ 5,266,530</u>	<u>\$ 6,561,662</u>	<u>\$ 4,638,790</u>	<u>\$ 17,376,881</u>
\$ 0	\$ 0	\$ 0	\$ 4,567,314	\$ 0
0	0	0	1,756,872	18,238,395
329,297	0	3,933,867	0	0
0	3,587,380	0	0	0
0	0	0	0	0
5,289,505	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	117,000	0	0
0	0	35,288	0	0
<u>\$ 5,618,802</u>	<u>\$ 3,587,380</u>	<u>\$ 4,086,155</u>	<u>\$ 6,324,186</u>	<u>\$ 18,238,395</u>
\$ 918,182	\$ 1,679,150	\$ 2,475,507	\$ (1,685,396)	\$ (861,514)
\$ 182,294	\$ 39,675	\$ 0	\$ 2,791,186	\$ 128,959
(633,401)	(183,851)	(326,560)	(853,790)	(598,805)
15,889	61,506	6,780	0	0
11,045	0	0	0	0
<u>\$ (424,173)</u>	<u>\$ (82,670)</u>	<u>\$ (319,780)</u>	<u>\$ 1,937,396</u>	<u>\$ (469,846)</u>
\$ 494,009	\$ 1,596,480	\$ 2,155,727	\$ 252,000	\$ (1,331,360)
3,443,525	7,051,917	9,584,661	2,414,866	3,237,956
113,435	(51,580)	0	2,226	0
<u>\$ 4,050,969</u>	<u>\$ 8,596,817</u>	<u>\$ 11,740,388</u>	<u>\$ 2,669,092</u>	<u>\$ 1,906,596</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Special Revenue</i>	
	<i>Education Impact Fees</i>	<i>Tourist Development Tax</i>
REVENUES		
Taxes	\$ 0	\$ 13,601,701
Permits, fees and special assessments	9,800,979	0
Intergovernmental revenues	0	0
Charges for services	0	0
Fines and forfeits	0	0
Miscellaneous revenues	120,546	165,295
Total revenues	\$ 9,921,525	\$ 13,766,996
EXPENDITURES		
Current:		
General government	\$ 0	\$ 0
Public safety	0	0
Physical environment	0	3,351,144
Transportation	0	0
Economic environment	0	7,618,419
Human services	0	0
Culture and recreation	0	8,210,245
Intergovernmental	16,476,997	0
Capital outlay	0	0
Debt service:		
Principal	0	0
Interest	0	0
Total expenditures	\$ 16,476,997	\$ 19,179,808
Excess (deficiency) of revenues over (under) expenditures	\$ (6,555,472)	\$ (5,412,812)
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 0	\$ 0
Transfers out	(240,092)	(524,436)
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Total other financing sources and uses	\$ (240,092)	\$ (524,436)
Net change in fund balances	\$ (6,795,564)	\$ (5,937,248)
Fund balances - beginning	14,441,498	26,057,046
Increase (decrease) in non-spendable	0	633
Fund balances - ending	\$ 7,645,934	\$ 20,120,431

<u>Special Revenue</u>				<u>Debt Service</u>
<u>State Housing Initiative Partnership</u>	<u>Environmentally Endangered Land Program</u>	<u>Brevard County Building Code Compliance</u>	<u>Records Modernization Trust</u>	<u>Limited Ad Valorem Tax Bonds</u>
\$ 0	\$ 1,812,219	\$ 17,101	\$ 0	\$ 12,332,054
0	0	4,631,602	0	0
2,032,434	0	0	0	0
0	0	0	1,512,471	0
0	0	6,924	248,362	0
337,530	131,612	60,988	209	95,000
<u>\$ 2,369,964</u>	<u>\$ 1,943,831</u>	<u>\$ 4,716,615</u>	<u>\$ 1,761,042</u>	<u>\$ 12,427,054</u>
\$ 0	\$ 0	\$ 0	\$ 1,441,576	\$ 0
0	0	2,936,953	0	0
0	2,071,005	0	0	0
0	0	0	0	0
944,406	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	9,300,000
0	0	0	0	1,719,711
<u>\$ 944,406</u>	<u>\$ 2,071,005</u>	<u>\$ 2,936,953</u>	<u>\$ 1,441,576</u>	<u>\$ 11,019,711</u>
<u>\$ 1,425,558</u>	<u>\$ (127,174)</u>	<u>\$ 1,779,662</u>	<u>\$ 319,466</u>	<u>\$ 1,407,343</u>
\$ 0	\$ 443,161	\$ 5,295	\$ 0	\$ 93,639
0	(72,307)	(127,402)	0	(434,449)
0	0	0	0	0
0	3,628	0	0	0
<u>\$ 0</u>	<u>\$ 374,482</u>	<u>\$ (122,107)</u>	<u>\$ 0</u>	<u>\$ (340,810)</u>
\$ 1,425,558	\$ 247,308	\$ 1,657,555	\$ 319,466	\$ 1,066,533
1,945,616	1,055,523	3,731,843	879,794	5,097,641
0	5,773	(1,060)	0	0
<u>\$ 3,371,174</u>	<u>\$ 1,308,604</u>	<u>\$ 5,388,338</u>	<u>\$ 1,199,260</u>	<u>\$ 6,164,174</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Debt Service</i>	
	<i>Sales Tax Revenue Bonds</i>	<i>Loans</i>
REVENUES		
Taxes	\$ 0	\$ 0
Permits, fees and special assessments	0	0
Intergovernmental revenues	0	0
Charges for services	0	0
Fines and forfeits	0	0
Miscellaneous revenues	0	982
Total revenues	\$ 0	\$ 982
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	2,140,000	3,261,708
Interest	376,289	1,199,074
Total expenditures	\$ 2,516,289	\$ 4,460,782
Excess (deficiency) of revenues over (under) expenditures	\$ (2,516,289)	\$ (4,459,800)
OTHER FINANCING SOURCES AND (USES)		
Transfers in	\$ 2,516,289	\$ 4,465,196
Transfers out	(177,302)	0
Proceeds of the sale of capital assets	0	0
Insurance proceeds	0	0
Total other financing sources and uses	\$ 2,338,987	\$ 4,465,196
Net change in fund balances	\$ (177,302)	\$ 5,396
Fund balances - beginning	177,302	27,787
Increase (decrease) in non-spendable	0	0
Fund balances - ending	\$ 0	\$ 33,183

Capital Projects

<i>General Government Facilities</i>	<i>Parks and Recreation Facilities</i>	<i>Environmentally Endangered Land Purchases</i>	<i>Total</i>
\$ 0	\$ 0	\$ 0	\$ 83,834,439
0	0	0	20,517,650
0	206,076	0	2,766,424
0	0	0	5,790,681
0	0	0	1,347,589
14,440	31,415	16,397	3,405,659
\$ 14,440	\$ 237,491	\$ 16,397	\$ 117,662,442
\$ 0	\$ 0	\$ 0	\$ 6,008,890
0	0	0	22,932,220
0	0	0	9,685,313
0	0	0	3,587,380
0	0	0	8,562,825
0	0	0	5,289,505
0	0	0	41,014,604
0	0	0	16,476,997
365,895	1,755,065	38,567	2,159,527
0	0	0	14,818,708
6,865	0	0	3,337,227
\$ 372,760	\$ 1,755,065	\$ 38,567	\$ 133,873,196
\$ (358,320)	\$ (1,517,574)	\$ (22,170)	\$ (16,210,754)
\$ 289,500	\$ 0	\$ 0	\$ 21,432,106
(72,574)	0	(429,425)	(7,339,884)
0	0	0	149,655
0	0	0	20,274
\$ 216,926	\$ 0	\$ (429,425)	\$ 14,262,151
\$ (141,394)	\$ (1,517,574)	\$ (451,595)	\$ (1,948,603)
637,016	4,413,642	2,439,246	97,889,588
0	0	0	129,784
\$ 495,622	\$ 2,896,068	\$ 1,987,651	\$ 96,070,769

BREVARD COUNTY, FLORIDA
RECREATION SPECIAL DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 11,596,489	\$ 11,157,260	\$ (439,229)
Intergovernmental revenues	0	10,434	10,434
Charges for services	943,159	944,050	891
Miscellaneous revenues	<u>648,068</u>	<u>689,370</u>	<u>41,302</u>
Total revenues	<u>\$ 13,187,716</u>	<u>\$ 12,801,114</u>	<u>\$ (386,602)</u>
EXPENDITURES			
Current:			
Culture and recreation	<u>\$ 23,055,082</u>	<u>\$ 17,924,991</u>	<u>\$ 5,130,091</u>
Deficiency of revenues under expenditures	<u>\$ (9,867,366)</u>	<u>\$ (5,123,877)</u>	<u>\$ 4,743,489</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 10,057,179	\$ 10,131,637	\$ 74,458
Transfers out	(1,277,617)	(1,252,536)	25,081
Proceeds of the sale of capital assets	3,250	65,480	62,230
Insurance proceeds	<u>183,118</u>	<u>5,601</u>	<u>(177,517)</u>
Total other financing sources and uses	<u>\$ 8,965,930</u>	<u>\$ 8,950,182</u>	<u>\$ (15,748)</u>
Net change in fund balances	\$ (901,436)	\$ 3,826,305	\$ 4,727,741
Fund balances - beginning	1,702,813	1,702,813	0
Increase in non-spendable	<u>0</u>	<u>117,274</u>	<u>117,274</u>
Fund balances - ending	<u>\$ 801,377</u>	<u>\$ 5,646,392</u>	<u>\$ 4,845,015</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, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 16,957,611	\$ 16,296,537	\$ (661,074)
Permits, fees and special assessments	99,300	139,328	40,028
Fines and forfeits	583,000	562,163	(20,837)
Miscellaneous revenues	159,588	306,116	146,528
Total revenues	<u>\$ 17,799,499</u>	<u>\$ 17,304,144</u>	<u>\$ (495,355)</u>
EXPENDITURES			
Current:			
Culture and recreation	\$ 22,883,353	\$ 14,879,368	\$ 8,003,985
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (5,083,854)</u>	<u>\$ 2,424,776</u>	<u>\$ 7,508,630</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 221,754	\$ 345,275	\$ 123,521
Transfers out	<u>(1,459,733)</u>	<u>(1,412,954)</u>	<u>46,779</u>
Total other financing sources and uses	<u>\$ (1,237,979)</u>	<u>\$ (1,067,679)</u>	<u>\$ 170,300</u>
Net change in fund balances	\$ (6,321,833)	\$ 1,357,097	\$ 7,678,930
Fund balances - beginning	9,549,896	9,549,896	0
Decrease in non-spendable	<u>0</u>	<u>(56,917)</u>	<u>(56,917)</u>
Fund balances - ending	<u><u>\$ 3,228,063</u></u>	<u><u>\$ 10,850,076</u></u>	<u><u>\$ 7,622,013</u></u>

BREVARD COUNTY, FLORIDA
BREVARD COUNTY MOSQUITO CONTROL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 6,705,621	\$ 6,436,680	\$ (268,941)
Intergovernmental revenues	0	36,674	36,674
Charges for services	75,000	25,583	(49,417)
Miscellaneous revenues	57,199	38,047	(19,152)
Total revenues	<u>\$ 6,837,820</u>	<u>\$ 6,536,984</u>	<u>\$ (300,836)</u>
EXPENDITURES			
Current:			
Physical environment	\$ 382,678	\$ 329,297	\$ 53,381
Human services	6,383,758	5,289,505	1,094,253
Total expenditures	<u>\$ 6,766,436</u>	<u>\$ 5,618,802</u>	<u>\$ 1,147,634</u>
Excess of revenues over expenditures	<u>\$ 71,384</u>	<u>\$ 918,182</u>	<u>\$ 846,798</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 175,004	\$ 182,294	\$ 7,290
Transfers out	(635,864)	(633,401)	2,463
Proceeds of the sale of capital assets	1,000	15,889	14,889
Insurance proceeds	10,000	11,045	1,045
Total other financing sources and uses	<u>\$ (449,860)</u>	<u>\$ (424,173)</u>	<u>\$ 25,687</u>
Net change in fund balances	\$ (378,476)	\$ 494,009	\$ 872,485
Fund balances - beginning	3,443,525	3,443,525	0
Increase in non-spendable	0	113,435	113,435
Fund balances - ending	<u>\$ 3,065,049</u>	<u>\$ 4,050,969</u>	<u>\$ 985,920</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, 2017

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 5,398,997	\$ 5,187,484	\$ (211,513)
Miscellaneous revenues	23,185	79,046	55,861
Total revenues	<u>\$ 5,422,182</u>	<u>\$ 5,266,530</u>	<u>\$ (155,652)</u>
EXPENDITURES			
Current:			
Transportation	\$ 9,643,289	\$ 3,587,380	\$ 6,055,909
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (4,221,107)</u>	<u>\$ 1,679,150</u>	<u>\$ 5,900,257</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 22,675	\$ 39,675	\$ 17,000
Transfers out	(204,942)	(183,851)	21,091
Proceeds of the sale of capital assets	<u>0</u>	<u>61,506</u>	<u>61,506</u>
Total other financing sources and uses	<u>\$ (182,267)</u>	<u>\$ (82,670)</u>	<u>\$ 99,597</u>
Net change in fund balances	\$ (4,403,374)	\$ 1,596,480	\$ 5,999,854
Fund balances - beginning	7,051,917	7,051,917	0
Decrease in non-spendable	<u>0</u>	<u>(51,580)</u>	<u>(51,580)</u>
Fund balances - ending	<u><u>\$ 2,648,543</u></u>	<u><u>\$ 8,596,817</u></u>	<u><u>\$ 5,948,274</u></u>

BREVARD COUNTY, FLORIDA
SURFACE WATER IMPROVEMENT DIVISION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Permits, fees and special assessments	\$ 6,120,199	\$ 5,945,741	\$ (174,458)
Intergovernmental revenues	888,943	416,262	(472,681)
Charges for services	60,000	75,501	15,501
Miscellaneous revenues	137,737	124,158	(13,579)
Total revenues	<u>\$ 7,206,879</u>	<u>\$ 6,561,662</u>	<u>\$ (645,217)</u>
EXPENDITURES			
Current:			
Physical environment	\$ 12,150,478	\$ 3,933,867	\$ 8,216,611
Intergovernmental	108,558	0	108,558
Debt service:			
Principal	117,179	117,000	179
Interest	66,754	35,288	31,466
Total expenditures	<u>\$ 12,442,969</u>	<u>\$ 4,086,155</u>	<u>\$ 8,356,814</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (5,236,090)</u>	<u>\$ 2,475,507</u>	<u>\$ 7,711,597</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers out	\$ (280,490)	\$ (326,560)	\$ (46,070)
Proceeds of the sale of capital assets	<u>0</u>	<u>6,780</u>	<u>6,780</u>
Total other financing sources and uses	<u>\$ (280,490)</u>	<u>\$ (319,780)</u>	<u>\$ (39,290)</u>
Net change in fund balances	\$ (5,516,580)	\$ 2,155,727	\$ 7,672,307
Fund balances - beginning	<u>9,584,661</u>	<u>9,584,661</u>	<u>0</u>
Fund balances - ending	<u>\$ 4,068,081</u>	<u>\$ 11,740,388</u>	<u>\$ 7,672,307</u>

BREVARD COUNTY, FLORIDA
FINES AND COURT COSTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Charges for services	\$ 3,167,378	\$ 3,037,326	\$ (130,052)
Fines and forfeits	381,918	530,140	148,222
Miscellaneous revenues	<u>659,082</u>	<u>1,071,324</u>	<u>412,242</u>
Total revenues	<u>\$ 4,208,378</u>	<u>\$ 4,638,790</u>	<u>\$ 430,412</u>
EXPENDITURES			
Current:			
General government	\$ 4,633,933	\$ 4,567,314	\$ 66,619
Public safety	<u>2,289,473</u>	<u>1,756,872</u>	<u>532,601</u>
Total expenditures	<u>\$ 6,923,406</u>	<u>\$ 6,324,186</u>	<u>\$ 599,220</u>
Deficiency of revenues under expenditures	<u>\$ (2,715,028)</u>	<u>\$ (1,685,396)</u>	<u>\$ 1,029,632</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 3,070,828	\$ 2,791,186	\$ (279,642)
Transfers out	<u>(643,791)</u>	<u>(853,790)</u>	<u>(209,999)</u>
Total other financing sources and uses	<u>\$ 2,427,037</u>	<u>\$ 1,937,396</u>	<u>\$ (489,641)</u>
Net change in fund balances	\$ (287,991)	\$ 252,000	\$ 539,991
Fund balances - beginning	2,414,866	2,414,866	0
Increase in non-spendable	<u>0</u>	<u>2,226</u>	<u>2,226</u>
Fund balances - ending	<u>\$ 2,126,875</u>	<u>\$ 2,669,092</u>	<u>\$ 542,217</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, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 17,894,564	\$ 16,993,403	\$ (901,161)
Intergovernmental revenues	64,544	64,544	0
Charges for services	195,000	195,750	750
Miscellaneous revenues	<u>20,526</u>	<u>123,184</u>	<u>102,658</u>
Total revenues	<u>\$ 18,174,634</u>	<u>\$ 17,376,881</u>	<u>\$ (797,753)</u>
EXPENDITURES			
Current:			
Public safety	<u>\$ 19,878,085</u>	<u>\$ 18,238,395</u>	<u>\$ 1,639,690</u>
Deficiency of revenues under expenditures	<u>\$ (1,703,451)</u>	<u>\$ (861,514)</u>	<u>\$ 841,937</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 0	\$ 128,959	\$ 128,959
Transfers out	<u>(692,309)</u>	<u>(598,805)</u>	<u>93,504</u>
Total other financing sources and uses	<u>\$ (692,309)</u>	<u>\$ (469,846)</u>	<u>\$ 222,463</u>
Net change in fund balances	\$ (2,395,760)	\$ (1,331,360)	\$ 1,064,400
Fund balances - beginning	<u>3,237,956</u>	<u>3,237,956</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 842,196</u></u>	<u><u>\$ 1,906,596</u></u>	<u><u>\$ 1,064,400</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, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Permits, fees and special assessments	\$ 10,446,075	\$ 9,800,979	\$ (645,096)
Miscellaneous revenues	177,000	120,546	(56,454)
Total revenues	<u>\$ 10,623,075</u>	<u>\$ 9,921,525</u>	<u>\$ (701,550)</u>
EXPENDITURES			
Current:			
Intergovernmental	<u>\$ 24,259,108</u>	<u>\$ 16,476,997</u>	<u>\$ 7,782,111</u>
Deficiency of revenues under expenditures	<u>\$ (13,636,033)</u>	<u>\$ (6,555,472)</u>	<u>\$ 7,080,561</u>
OTHER FINANCING USES			
Transfers out	<u>\$ (260,103)</u>	<u>\$ (240,092)</u>	<u>\$ 20,011</u>
Net change in fund balances	\$ (13,896,136)	\$ (6,795,564)	\$ 7,100,572
Fund balances - beginning	<u>14,441,498</u>	<u>14,441,498</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 545,362</u></u>	<u><u>\$ 7,645,934</u></u>	<u><u>\$ 7,100,572</u></u>

BREVARD COUNTY, FLORIDA
TOURIST DEVELOPMENT TAX
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 14,000,000	\$ 13,601,701	\$ (398,299)
Miscellaneous revenues	151,404	165,295	13,891
Total revenues	<u>\$ 14,151,404</u>	<u>\$ 13,766,996</u>	<u>\$ (384,408)</u>
EXPENDITURES			
Current:			
Physical environment	\$ 12,314,295	\$ 3,351,144	\$ 8,963,151
Economic environment	8,473,512	7,618,419	855,093
Culture and recreation	10,756,323	8,210,245	2,546,078
Total expenditures	<u>\$ 31,544,130</u>	<u>\$ 19,179,808</u>	<u>\$ 12,364,322</u>
Deficiency of revenues under expenditures	<u>\$ (17,392,726)</u>	<u>\$ (5,412,812)</u>	<u>\$ 11,979,914</u>
OTHER FINANCING USES			
Transfers out	\$ (517,447)	\$ (524,436)	\$ (6,989)
Net change in fund balances	\$ (17,910,173)	\$ (5,937,248)	\$ 11,972,925
Fund balances - beginning	26,057,046	26,057,046	0
Increase in non-spendable	0	633	633
Fund balances - ending	<u>\$ 8,146,873</u>	<u>\$ 20,120,431</u>	<u>\$ 11,973,558</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, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 2,070,261	\$ 2,032,434	\$ (37,827)
Miscellaneous revenues	<u>0</u>	<u>337,530</u>	<u>337,530</u>
Total revenues	<u>\$ 2,070,261</u>	<u>\$ 2,369,964</u>	<u>\$ 299,703</u>
EXPENDITURES			
Current:			
Economic environment	<u>\$ 3,910,297</u>	<u>\$ 944,406</u>	<u>\$ 2,965,891</u>
Net change in fund balances	\$ (1,840,036)	\$ 1,425,558	\$ 3,265,594
Fund balances - beginning	<u>1,945,616</u>	<u>1,945,616</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 105,580</u></u>	<u><u>\$ 3,371,174</u></u>	<u><u>\$ 3,265,594</u></u>

BREVARD COUNTY, FLORIDA
ENVIRONMENTALLY ENDANGERED LAND PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 1,886,286	\$ 1,812,219	\$ (74,067)
Charges for services	684	0	(684)
Miscellaneous revenues	<u>28,152</u>	<u>131,612</u>	<u>103,460</u>
Total revenues	<u>\$ 1,915,122</u>	<u>\$ 1,943,831</u>	<u>\$ 28,709</u>
EXPENDITURES			
Current:			
Physical environment	<u>\$ 3,179,348</u>	<u>\$ 2,071,005</u>	<u>\$ 1,108,343</u>
Deficiency of revenues under expenditures	<u>\$ (1,264,226)</u>	<u>\$ (127,174)</u>	<u>\$ 1,137,052</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 400,000	\$ 443,161	\$ 43,161
Transfers out	(75,554)	(72,307)	3,247
Insurance proceeds	<u>0</u>	<u>3,628</u>	<u>3,628</u>
Total other financing sources and uses	<u>\$ 324,446</u>	<u>\$ 374,482</u>	<u>\$ 50,036</u>
Net change in fund balances	\$ (939,780)	\$ 247,308	\$ 1,187,088
Fund balances - beginning	1,055,523	1,055,523	0
Increase in non-spendable	<u>0</u>	<u>5,773</u>	<u>5,773</u>
Fund balances - ending	<u>\$ 115,743</u>	<u>\$ 1,308,604</u>	<u>\$ 1,192,861</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, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 16,650	\$ 17,101	\$ 451
Permits, fees and special assessments	2,785,800	4,631,602	1,845,802
Charges for services	2,800	0	(2,800)
Fines and forfeits	17,500	6,924	(10,576)
Miscellaneous revenues	26,500	60,988	34,488
Total revenues	<u>\$ 2,849,250</u>	<u>\$ 4,716,615</u>	<u>\$ 1,867,365</u>
EXPENDITURES			
Current:			
Public safety	<u>\$ 3,092,604</u>	<u>\$ 2,936,953</u>	<u>\$ 155,651</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (243,354)</u>	<u>\$ 1,779,662</u>	<u>\$ 2,023,016</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 10,590	\$ 5,295	\$ (5,295)
Transfers out	<u>(127,402)</u>	<u>(127,402)</u>	<u>0</u>
Total other financing sources and uses	<u>\$ (116,812)</u>	<u>\$ (122,107)</u>	<u>\$ (5,295)</u>
Net change in fund balances	\$ (360,166)	\$ 1,657,555	\$ 2,017,721
Fund balances - beginning	3,731,843	3,731,843	0
Decrease in non-spendable	0	(1,060)	(1,060)
Fund balances - ending	<u><u>\$ 3,371,677</u></u>	<u><u>\$ 5,388,338</u></u>	<u><u>\$ 2,016,661</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, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Charges for services	\$ 1,240,000	\$ 1,512,471	\$ 272,471
Fines and forfeits	248,442	248,362	(80)
Miscellaneous revenues	0	209	209
Total revenues	<u>\$ 1,488,442</u>	<u>\$ 1,761,042</u>	<u>\$ 272,600</u>
EXPENDITURES			
Current:			
General government	<u>\$ 1,441,800</u>	<u>\$ 1,441,576</u>	<u>\$ 224</u>
Net change in fund balances	\$ 46,642	\$ 319,466	\$ 272,824
Fund balances - beginning	<u>879,794</u>	<u>879,794</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 926,436</u></u>	<u><u>\$ 1,199,260</u></u>	<u><u>\$ 272,824</u></u>

BREVARD COUNTY, FLORIDA
LIMITED AD VALOREM TAX BONDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Taxes	\$ 12,800,087	\$ 12,332,054	\$ (468,033)
Miscellaneous revenues	57,500	95,000	37,500
Total revenues	<u>\$ 12,857,587</u>	<u>\$ 12,427,054</u>	<u>\$ (430,533)</u>
EXPENDITURES			
Debt service:			
Principal	\$ 9,300,000	\$ 9,300,000	\$ 0
Interest	1,779,196	1,719,711	59,485
Total expenditures	<u>\$ 11,079,196</u>	<u>\$ 11,019,711</u>	<u>\$ 59,485</u>
Excess of revenues over expenditures	<u>\$ 1,778,391</u>	<u>\$ 1,407,343</u>	<u>\$ (371,048)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 106,000	\$ 93,639	\$ (12,361)
Transfers out	(619,936)	(434,449)	185,487
Total other financing sources and uses	<u>\$ (513,936)</u>	<u>\$ (340,810)</u>	<u>\$ 173,126</u>
Net change in fund balances	\$ 1,264,455	\$ 1,066,533	\$ (197,922)
Fund balances - beginning	5,097,641	5,097,641	0
Fund balances - ending	<u>\$ 6,362,096</u>	<u>\$ 6,164,174</u>	<u>\$ (197,922)</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, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 357	\$ 0	\$ (357)
EXPENDITURES			
Debt service:			
Principal	\$ 2,140,000	\$ 2,140,000	\$ 0
Interest	376,289	376,289	0
Total expenditures	<u>\$ 2,516,289</u>	<u>\$ 2,516,289</u>	<u>\$ 0</u>
Deficiency of revenues under expenditures	<u>\$ (2,515,932)</u>	<u>\$ (2,516,289)</u>	<u>\$ (357)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 2,516,289	\$ 2,516,289	\$ 0
Transfers out	<u>(177,486)</u>	<u>(177,302)</u>	<u>184</u>
Total other financing sources and uses	<u>\$ 2,338,803</u>	<u>\$ 2,338,987</u>	<u>\$ 184</u>
Net change in fund balances	\$ (177,129)	\$ (177,302)	\$ (173)
Fund balances - beginning	<u>177,302</u>	<u>177,302</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 173</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (173)</u></u>

BREVARD COUNTY, FLORIDA
LOANS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 982	\$ 982
EXPENDITURES			
Debt service:			
Principal	\$ 3,331,599	\$ 3,261,708	\$ 69,891
Interest	1,198,815	1,199,074	(259)
Total expenditures	<u>\$ 4,530,414</u>	<u>\$ 4,460,782</u>	<u>\$ 69,632</u>
Deficiency of revenues under expenditures	<u>\$ (4,530,414)</u>	<u>\$ (4,459,800)</u>	<u>\$ 70,614</u>
OTHER FINANCING SOURCES			
Transfers in	<u>\$ 4,530,414</u>	<u>\$ 4,465,196</u>	<u>\$ (65,218)</u>
Net change in fund balances	\$ 0	\$ 5,396	\$ 5,396
Fund balances - beginning	27,787	27,787	0
Fund balances - ending	<u><u>\$ 27,787</u></u>	<u><u>\$ 33,183</u></u>	<u><u>\$ 5,396</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, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Miscellaneous revenues	\$ 14,964	\$ 14,440	\$ (524)
EXPENDITURES			
Capital outlay	\$ 2,524,417	\$ 365,895	\$ 2,158,522
Debt service:			
Principal	281,000	0	281,000
Interest	8,500	6,865	1,635
Total expenditures	<u>\$ 2,813,917</u>	<u>\$ 372,760</u>	<u>\$ 2,441,157</u>
Deficiency of revenues under expenditures	<u>\$ (2,798,953)</u>	<u>\$ (358,320)</u>	<u>\$ 2,440,633</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	\$ 289,500	\$ 289,500	\$ 0
Transfers out	(69,037)	(72,574)	(3,537)
Capital related debt issued	1,040,000	0	(1,040,000)
Total other financing sources and uses	<u>\$ 1,260,463</u>	<u>\$ 216,926</u>	<u>\$ (1,043,537)</u>
Net change in fund balances	\$ (1,538,490)	\$ (141,394)	\$ 1,397,096
Fund balances - beginning	<u>637,016</u>	<u>637,016</u>	<u>0</u>
Fund balances - ending	<u><u>\$ (901,474)</u></u>	<u><u>\$ 495,622</u></u>	<u><u>\$ 1,397,096</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, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Intergovernmental revenues	\$ 200,000	\$ 206,076	\$ 6,076
Miscellaneous revenues	16,400	31,415	15,015
Total revenues	<u>\$ 216,400</u>	<u>\$ 237,491</u>	<u>\$ 21,091</u>
EXPENDITURES			
Intergovernmental	\$ 18,000	\$ 0	\$ 18,000
Capital outlay	3,616,797	1,755,065	1,861,732
Total expenditures	<u>\$ 3,634,797</u>	<u>\$ 1,755,065</u>	<u>\$ 1,879,732</u>
Net change in fund balances	\$ (3,418,397)	\$ (1,517,574)	\$ 1,900,823
Fund balances - beginning	4,413,642	4,413,642	0
Fund balances - ending	<u>\$ 995,245</u>	<u>\$ 2,896,068</u>	<u>\$ 1,900,823</u>

BREVARD COUNTY, FLORIDA
 ENVIRONMENTALLY ENDANGERED LAND PURCHASES
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Miscellaneous revenues	\$ 32,574	\$ 16,397	\$ (16,177)
EXPENDITURES			
Capital outlay	\$ 1,150,189	\$ 38,567	\$ 1,111,622
Deficiency of revenues under expenditures	\$ (1,117,615)	\$ (22,170)	\$ 1,095,445
OTHER FINANCING USES			
Transfers out	\$ (400,000)	\$ (429,425)	\$ (29,425)
Net change in fund balances	\$ (1,517,615)	\$ (451,595)	\$ 1,066,020
Fund balances - beginning	<u>2,439,246</u>	<u>2,439,246</u>	<u>0</u>
Fund balances - ending	<u>\$ 921,631</u>	<u>\$ 1,987,651</u>	<u>\$ 1,066,020</u>

Nonmajor Proprietary Funds

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

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

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

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2017

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,932,990	\$ 1,290
Accounts receivable (net of allowance for uncollectibles)	16,746	64,876
Accrued interest receivable	1,463	0
Due from other governmental units	13,826,001	1,122,692
Prepaid items	0	21,058
Total current assets	\$ 17,777,200	\$ 1,209,916
Noncurrent assets:		
Capital assets:		
Land	\$ 0	\$ 298,270
Construction in progress	0	54,656
Buildings and structures	0	1,895,366
Improvements to land	0	0
Improvements other than buildings	0	1,249,749
Machinery and equipment	0	24,029,124
Less accumulated depreciation	0	(19,624,113)
Total noncurrent assets	\$ 0	\$ 7,903,052
Total assets	\$ 17,777,200	\$ 9,112,968
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges for pensions	\$ 0	\$ 1,520,245
LIABILITIES		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 1,956,642	\$ 903,691
Due to other funds	577,627	299,500
Due to other governmental units	0	0
Accrued compensated absences	0	46,335
Total current liabilities (payable from current assets)	\$ 2,534,269	\$ 1,249,526
Noncurrent liabilities:		
Due within one year:		
Accrued compensated absences	\$ 0	\$ 412,986
Other postemployment benefits	0	521,617
Net pension liability	0	3,668,734
Advances from other funds	9,300,000	0
Total noncurrent liabilities	\$ 9,300,000	\$ 4,603,337
Total liabilities	\$ 11,834,269	\$ 5,852,863
DEFERRED INFLOWS OF RESOURCES		
Deferred charges for pensions	\$ 0	\$ 306,767
NET POSITION		
Net investment in capital assets	\$ 0	\$ 7,903,052
Unrestricted	5,942,931	(3,429,469)
Total net position	\$ 5,942,931	\$ 4,473,583

<i>Activities - Enterprise Funds</i>	
<i>Brevard County Golf Courses</i>	<i>Total</i>
\$ 384,909	\$ 4,319,189
56,708	138,330
0	1,463
135,991	15,084,684
0	21,058
<u>\$ 577,608</u>	<u>\$ 19,564,724</u>
\$ 1,943,379	\$ 2,241,649
0	54,656
2,961,155	4,856,521
8,259,880	8,259,880
131,718	1,381,467
128,664	24,157,788
(8,985,938)	(28,610,051)
<u>\$ 4,438,858</u>	<u>\$ 12,341,910</u>
<u>\$ 5,016,466</u>	<u>\$ 31,906,634</u>
<u>\$ 0</u>	<u>\$ 1,520,245</u>
\$ 40,712	\$ 2,901,045
0	877,127
4,355	4,355
0	46,335
<u>\$ 45,067</u>	<u>\$ 3,828,862</u>
\$ 0	\$ 412,986
0	521,617
0	3,668,734
0	9,300,000
<u>\$ 0</u>	<u>\$ 13,903,337</u>
<u>\$ 45,067</u>	<u>\$ 17,732,199</u>
<u>\$ 0</u>	<u>\$ 306,767</u>
\$ 4,438,858	\$ 12,341,910
532,541	3,046,003
<u>\$ 4,971,399</u>	<u>\$ 15,387,913</u>

BREVARD COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 NONMAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Business-type</i>	
	<i>Solid Waste Collection Services</i>	<i>Space Coast Area Transit</i>
Operating revenues:		
Service fees	\$ 12,010,048	\$ 1,908,391
Operating expenses:		
Wages and benefits	\$ 0	\$ 6,831,557
Repair, maintenance, and other services	27,587,103	4,468,963
Materials and supplies	0	1,529,522
Depreciation	0	2,572,796
Total operating expenses	\$ 27,587,103	\$ 15,402,838
Operating (loss)	\$ (15,577,055)	\$ (13,494,447)
Nonoperating revenues (expenses):		
Interest income	\$ 99,013	\$ 0
Interest expense	(77,627)	0
Miscellaneous revenue	213,056	1,860
Grants and matching funds	14,038,762	9,401,105
Gain (loss) on disposal of capital assets	0	130,334
Total nonoperating revenue (expense)	\$ 14,273,204	\$ 9,533,299
Loss before contributions and transfers	\$ (1,303,851)	\$ (3,961,148)
Capital contributions	0	165,596
Transfers in	0	1,859,453
Transfers out	(196,589)	0
Change in net position	\$ (1,500,440)	\$ (1,936,099)
Net position - beginning	7,443,371	6,409,682
Net position - ending	\$ 5,942,931	\$ 4,473,583

Activities - Enterprise Funds

<u>Brevard County Golf Courses</u>	<u>Total</u>
\$ 166,590	\$ 14,085,029
\$ 0	\$ 6,831,557
713,197	32,769,263
1,806	1,531,328
230,597	2,803,393
<u>\$ 945,600</u>	<u>\$ 43,935,541</u>
<u>\$ (779,010)</u>	<u>\$ (29,850,512)</u>
\$ 5,368	\$ 104,381
0	(77,627)
99,987	314,903
66,742	23,506,609
40,337	170,671
<u>\$ 212,434</u>	<u>\$ 24,018,937</u>
\$ (566,576)	\$ (5,831,575)
0	165,596
0	1,859,453
(9,745)	(206,334)
<u>\$ (576,321)</u>	<u>\$ (4,012,860)</u>
5,547,720	19,400,773
<u>\$ 4,971,399</u>	<u>\$ 15,387,913</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Nonmajor</i>
	<i>Solid Waste Collection Services</i>
Cash flows from operating activities:	
Cash receipts for service fees	\$ 12,011,711
Cash receipts from other sources	210,615
Cash payments to employees for services	0
Cash payments to suppliers for goods and services	(26,563,373)
Net cash from operating activities	\$ (14,341,047)
Cash flows from noncapital financing activities:	
Grant receipts	\$ 212,761
Transfers in	0
Transfers out	0
Interfund loans	9,800,000
Net cash flows from noncapital financing activities	\$ 10,012,761
Cash flows from capital and related financing activities:	
Capital grant receipts	\$ 0
Transfers out	(196,589)
Payments to acquire, construct or improve capital assets	0
Proceeds from disposal of capital assets	0
Net cash flows from capital and related financing activities	\$ (196,589)
Cash flows from investing activities:	
Interest income	\$ 99,013
Net increase (decrease) in cash and cash equivalents	\$ (4,425,862)
Cash and cash equivalents, October 1, 2016	8,358,852
Cash and cash equivalents, September 30, 2017	\$ 3,932,990
Reconciliation of operating loss to net cash flows from operating activities	
Operating loss	\$ (15,577,055)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation expense	\$ 0
Miscellaneous revenue	213,056
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(777)
(Increase) decrease in due from other governmental units	70,000
(Increase) decrease in prepaid items	0
Increase (decrease) in vouchers and contracts payable	953,729
Increase (decrease) in due to other governmental units	0
Increase (decrease) in accrued compensated absences	0
Increase (decrease) in other postemployment benefits	0
Increase (decrease) in net pension liability	0
Total adjustments	\$ 1,236,008
Net cash from operating activities	\$ (14,341,047)

Business-type Activities - Enterprise Funds

<u>Space Coast Area Transit</u>	<u>Brevard County Golf Courses</u>	<u>Total</u>
\$ 1,786,387	\$ 167,023	\$ 13,965,121
1,860	100,000	312,475
(6,497,147)	0	(6,497,147)
<u>(5,693,050)</u>	<u>(734,307)</u>	<u>(32,990,730)</u>
<u>\$ (10,401,950)</u>	<u>\$ (467,284)</u>	<u>\$ (25,210,281)</u>
\$ 9,515,261	\$ 0	\$ 9,728,022
1,859,453	0	1,859,453
0	(9,745)	(9,745)
<u>(490,500)</u>	<u>0</u>	<u>9,309,500</u>
<u>\$ 10,884,214</u>	<u>\$ (9,745)</u>	<u>\$ 20,887,230</u>
\$ 165,596	\$ 0	\$ 165,596
0	0	(196,589)
(796,312)	0	(796,312)
<u>148,926</u>	<u>0</u>	<u>148,926</u>
<u>\$ (481,790)</u>	<u>\$ 0</u>	<u>\$ (678,379)</u>
<u>\$ 0</u>	<u>\$ 5,368</u>	<u>\$ 104,381</u>
\$ 474	\$ (471,661)	\$ (4,897,049)
816	856,570	9,216,238
<u>\$ 1,290</u>	<u>\$ 384,909</u>	<u>\$ 4,319,189</u>
<u>\$ (13,494,447)</u>	<u>\$ (779,010)</u>	<u>\$ (29,850,512)</u>
\$ 2,572,796	\$ 230,597	\$ 2,803,393
1,860	99,987	314,903
(40,760)	1,008	(40,529)
(97,611)	0	(27,611)
(21,058)	11,111	(9,947)
343,175	(35,332)	1,261,572
0	4,355	4,355
71,411	0	71,411
16,025	0	16,025
<u>246,659</u>	<u>0</u>	<u>246,659</u>
<u>\$ 3,092,497</u>	<u>\$ 311,726</u>	<u>\$ 4,640,231</u>
<u>\$ (10,401,950)</u>	<u>\$ (467,284)</u>	<u>\$ (25,210,281)</u>



Internal Service Funds

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

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

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2017

	<u>Information Systems</u>	<u>Risk Management</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash	\$ 327,535	\$ 63,800,503	\$ 64,128,038
Cash with escrow and paying agent	0	1,125,191	1,125,191
Accounts receivable	14,041	408,281	422,322
Due from other funds	0	1,837,004	1,837,004
Due from other governmental units	35,231	831,222	866,453
Prepaid items	311,067	1,147,801	1,458,868
Total current assets	<u>\$ 687,874</u>	<u>\$ 69,150,002</u>	<u>\$ 69,837,876</u>
Noncurrent assets:			
Capital assets:			
Machinery and equipment	\$ 7,263,375	\$ 115,828	\$ 7,379,203
Less accumulated depreciation	(6,285,954)	(65,562)	(6,351,516)
Advances to other funds	0	283,682	283,682
Total noncurrent assets	<u>\$ 977,421</u>	<u>\$ 333,948</u>	<u>\$ 1,311,369</u>
Total assets	<u>\$ 1,665,295</u>	<u>\$ 69,483,950</u>	<u>\$ 71,149,245</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges for pensions	<u>\$ 766,965</u>	<u>\$ 335,144</u>	<u>\$ 1,102,109</u>
LIABILITIES			
Current liabilities:			
Vouchers and contracts payable	\$ 182,171	\$ 1,540,533	\$ 1,722,704
Claims payable	0	7,787,258	7,787,258
Accrued compensated absences	46,951	23,741	70,692
Total current liabilities	<u>\$ 229,122</u>	<u>\$ 9,351,532</u>	<u>\$ 9,580,654</u>
Noncurrent liabilities:			
Claims payable	\$ 0	\$ 10,771,601	\$ 10,771,601
Accrued compensated absences	167,154	93,688	260,842
Other postemployment benefits	181,749	95,155	276,904
Net pension liability	1,851,111	858,549	2,709,660
Total noncurrent liabilities	<u>\$ 2,200,014</u>	<u>\$ 11,818,993</u>	<u>\$ 14,019,007</u>
Total liabilities	<u>\$ 2,429,136</u>	<u>\$ 21,170,525</u>	<u>\$ 23,599,661</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred charges for pensions	<u>\$ 163,754</u>	<u>\$ 85,962</u>	<u>\$ 249,716</u>
NET POSITION			
Net investment in capital assets	\$ 977,421	\$ 50,266	\$ 1,027,687
Unrestricted	(1,138,051)	48,512,341	47,374,290
Total net position	<u>\$ (160,630)</u>	<u>\$ 48,562,607</u>	<u>\$ 48,401,977</u>

BREVARD COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
Operating revenues:			
Service fees	\$ 3,394,853	\$ 67,037,014	\$ 70,431,867
Operating expenses:			
Wages and benefits	\$ 3,479,167	\$ 1,235,378	\$ 4,714,545
Repair, maintenance, and other services	3,153,012	9,225,985	12,378,997
Materials and supplies	188,436	21,585	210,021
Depreciation	470,206	12,947	483,153
Insurance claims expense	0	51,498,582	51,498,582
Total operating expenses	\$ 7,290,821	\$ 61,994,477	\$ 69,285,298
Operating income (loss)	\$ (3,895,968)	\$ 5,042,537	\$ 1,146,569
Nonoperating revenues (expenses):			
Interest income	\$ 1,523	\$ 432,240	\$ 433,763
Miscellaneous revenue	11,440	893,269	904,709
Grants and matching funds	33,934	26,236	60,170
Loss on disposal of capital assets	(5,719)	(217)	(5,936)
Total nonoperating revenues (expenses)	\$ 41,178	\$ 1,351,528	\$ 1,392,706
Income (loss) before contributions and transfers	\$ (3,854,790)	\$ 6,394,065	\$ 2,539,275
Capital contributions	18,148	0	18,148
Transfers in	3,334,555	0	3,334,555
Transfers out	(128,334)	(15,482)	(143,816)
Change in net position	\$ (630,421)	\$ 6,378,583	\$ 5,748,162
Net position - beginning	469,791	42,184,024	42,653,815
Net position - ending	\$ (160,630)	\$ 48,562,607	\$ 48,401,977

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Information Systems</i>	<i>Risk Management</i>	<i>Total</i>
Cash flows from operating activities:			
Cash receipts for service fees	\$ 3,398,967	\$ 65,255,647	\$ 68,654,614
Cash receipts from other sources	11,436	846,486	857,922
Cash payments to employees for services	(3,293,362)	(1,191,388)	(4,484,750)
Cash payments to suppliers for goods and services	(3,203,995)	(7,838,844)	(11,042,839)
Cash payments for insurance claims	0	(49,853,444)	(49,853,444)
Net cash from operating activities	\$ (3,086,954)	\$ 7,218,457	\$ 4,131,503
Cash flows from noncapital financing activities:			
Transfers in	\$ 3,334,555	\$ 0	\$ 3,334,555
Transfers out	(128,334)	(15,482)	(143,816)
Interfund loans	0	22,593	22,593
Net cash flows from noncapital financing activities	\$ 3,206,221	\$ 7,111	\$ 3,213,332
Cash flows from capital and related financing activities:			
Payments to acquire, construct, or improve capital assets	\$ (158,674)	\$ (5,711)	\$ (164,385)
Proceeds from disposal of capital assets	101	0	101
Net cash flows from capital and related financing activities	\$ (158,573)	\$ (5,711)	\$ (164,284)
Cash flows from investing activities:			
Interest income	\$ 1,523	\$ 432,240	\$ 433,763
Net increase (decrease) in cash and cash equivalents	\$ (37,783)	\$ 7,652,097	\$ 7,614,314
Cash and cash equivalents, October 1, 2016	365,318	57,273,597	57,638,915
Cash and cash equivalents, September 30, 2017	\$ 327,535	\$ 64,925,694	\$ 65,253,229
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	\$ (3,895,968)	\$ 5,042,537	\$ 1,146,569
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation expense	\$ 470,206	\$ 12,947	\$ 483,153
Miscellaneous revenue	11,440	893,269	904,709
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	4,110	(296,079)	(291,969)
(Increase) decrease in due from other funds	0	(133,246)	(133,246)
(Increase) decrease in due from other governmental units	(1,297)	(7,580)	(8,877)
(Increase) decrease in prepaid items	205,792	604,157	809,949
Increase (decrease) in vouchers and contracts payable	(67,042)	(46,031)	(113,073)
Increase (decrease) in claims payable	0	1,096,473	1,096,473
Increase (decrease) in accrued compensated absences	43,706	676	44,382
Increase (decrease) in other postemployment benefits	6,076	2,364	8,440
Increase (decrease) in net pension liability	136,023	48,970	184,993
Total adjustments	\$ 809,014	\$ 2,175,920	\$ 2,984,934
Net cash from operating activities	\$ (3,086,954)	\$ 7,218,457	\$ 4,131,503

Agency Funds

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

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

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

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

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2017

	<u>Board Agency Funds</u>	<u>Sheriff Agency Funds</u>
ASSETS		
Cash	\$ 614,799	\$ 26,535
Accounts receivable	0	0
Due from other governmental units	0	0
Total assets	<u>\$ 614,799</u>	<u>\$ 26,535</u>
LIABILITIES		
Due to employees, individuals, and others	\$ 95,383	\$ 26,535
Due to other governmental units	3,061	0
Escrow and refundable deposits	516,355	0
Total liabilities	<u>\$ 614,799</u>	<u>\$ 26,535</u>

<i>Clerk Agency Funds</i>	<i>Tax Collector Agency Funds</i>	<i>Total</i>
\$ 13,620,573	\$ 9,396,006	\$ 23,657,913
405,388	744,227	1,149,615
0	4,934	4,934
<u>\$ 14,025,961</u>	<u>\$ 10,145,167</u>	<u>\$ 24,812,462</u>
\$ 1,038,907	\$ 8,694,104	\$ 9,854,929
2,722,687	1,451,063	4,176,811
10,264,367	0	10,780,722
<u>\$ 14,025,961</u>	<u>\$ 10,145,167</u>	<u>\$ 24,812,462</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Balance</i> <i>Oct. 1, 2016</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance</i> <i>Sept. 30, 2017</i>
<u>Board Agency Funds</u>				
ASSETS:				
Cash	\$ 920,352	\$ 108,815	\$ 414,368	\$ 614,799
LIABILITIES:				
Due to employees, individuals, and others	\$ 93,602	\$ 4,637	\$ 2,856	\$ 95,383
Due to other governmental units	966	6,849	4,754	3,061
Escrow and refundable deposits	825,784	97,329	406,758	516,355
TOTAL LIABILITIES	<u>\$ 920,352</u>	<u>\$ 108,815</u>	<u>\$ 414,368</u>	<u>\$ 614,799</u>
<u>Sheriff Agency Funds</u>				
ASSETS:				
Cash	\$ 37,699	\$ 2,030,992	\$ 2,042,156	\$ 26,535
Due from other funds	30	0	30	0
TOTAL ASSETS	<u>\$ 37,729</u>	<u>\$ 2,030,992</u>	<u>\$ 2,042,186</u>	<u>\$ 26,535</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 37,729	\$ 2,589,621	\$ 2,600,815	\$ 26,535
Due to other governmental units	0	45,090	45,090	0
TOTAL LIABILITIES	<u>\$ 37,729</u>	<u>\$ 2,634,711</u>	<u>\$ 2,645,905</u>	<u>\$ 26,535</u>
<u>Clerk Agency Funds</u>				
ASSETS:				
Cash	\$ 17,947,250	\$ 169,026,135	\$ 173,352,812	\$ 13,620,573
Accounts receivable	189,360	8,256,229	8,040,201	405,388
TOTAL ASSETS	<u>\$ 18,136,610</u>	<u>\$ 177,282,364</u>	<u>\$ 181,393,013</u>	<u>\$ 14,025,961</u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 1,129,562	\$ 51,045,202	\$ 51,135,857	\$ 1,038,907
Due to other governmental units	2,903,097	75,029,027	75,209,437	2,722,687
Escrow and refundable deposits	14,103,951	51,208,135	55,047,719	10,264,367
TOTAL LIABILITIES	<u>\$ 18,136,610</u>	<u>\$ 177,282,364</u>	<u>\$ 181,393,013</u>	<u>\$ 14,025,961</u>

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Balance</i> <i>Oct. 1, 2016</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance</i> <i>Sept. 30, 2017</i>
<u>Tax Collector Agency Funds</u>				
ASSETS:				
Cash	\$ 9,059,960	\$ 769,953,244	\$ 769,617,198	\$ 9,396,006
Accounts receivable	542,793	263,408	61,974	744,227
Due from other governmental units	4,035	3,893	2,994	4,934
TOTAL ASSETS	<u><u>\$ 9,606,788</u></u>	<u><u>\$ 770,220,545</u></u>	<u><u>\$ 769,682,166</u></u>	<u><u>\$ 10,145,167</u></u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 8,328,245	\$ 30,009,098	\$ 29,643,239	\$ 8,694,104
Due to other governmental units	1,278,543	740,211,447	740,038,927	1,451,063
TOTAL LIABILITIES	<u><u>\$ 9,606,788</u></u>	<u><u>\$ 770,220,545</u></u>	<u><u>\$ 769,682,166</u></u>	<u><u>\$ 10,145,167</u></u>
<u>TOTAL - ALL FIDUCIARY FUNDS</u>				
ASSETS:				
Cash	\$ 27,965,261	\$ 941,119,186	\$ 945,426,534	\$ 23,657,913
Accounts receivable	732,153	8,519,637	8,102,175	1,149,615
Due from other funds	30	0	30	0
Due from other governmental units	4,035	3,893	2,994	4,934
TOTAL ASSETS	<u><u>\$ 28,701,479</u></u>	<u><u>\$ 949,642,716</u></u>	<u><u>\$ 953,531,733</u></u>	<u><u>\$ 24,812,462</u></u>
LIABILITIES:				
Due to employees, individuals, and others	\$ 9,589,138	\$ 83,648,558	\$ 83,382,767	\$ 9,854,929
Due to other governmental units	4,182,606	815,292,413	815,298,208	4,176,811
Escrow and refundable deposits	14,929,735	51,305,464	55,454,477	10,780,722
TOTAL LIABILITIES	<u><u>\$ 28,701,479</u></u>	<u><u>\$ 950,246,435</u></u>	<u><u>\$ 954,135,452</u></u>	<u><u>\$ 24,812,462</u></u>



Component Units

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

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

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

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

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

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
SEPTEMBER 30, 2017

	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 6,725	\$ 1,345,399
Investments	0	0
Receivables:		
Receivables (net of allowance for uncollectibles)	0	0
Due from other governmental units	0	37,433
Prepaid items	0	0
Capital assets:		
Land	0	0
Construction in progress	0	0
Buildings and structures	0	0
Improvements to land	0	0
Improvements other than buildings	0	0
Machinery and equipment	0	0
Less accumulated depreciation	0	0
Total assets	<u>\$ 6,725</u>	<u>\$ 1,382,832</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges for pensions	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES		
Accounts payable	\$ 0	\$ 21,766
Accrued liabilities	0	0
Customer deposits	0	0
Noncurrent liabilities:		
Due within one year:		
Accrued compensated absences	0	0
Notes payable	0	0
Due in more than one year:		
Other postemployment benefits	0	0
Net pension liability	0	0
Notes payable	0	0
Total liabilities	<u>\$ 0</u>	<u>\$ 21,766</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred charges for pensions	<u>\$ 0</u>	<u>\$ 0</u>
NET POSITION		
Net investment in capital assets	\$ 0	\$ 0
Unrestricted	6,725	1,361,066
Total net position	<u>\$ 6,725</u>	<u>\$ 1,361,066</u>

<i>North Brevard Economic Development Zone</i>	<i>Titusville- Cocoa Airport Authority</i>	<i>Housing Finance Authority</i>	<i>Total</i>
\$ 3,037,434 0	\$ 1,450,525 0	\$ 6,028,848 390,526	\$ 11,868,931 390,526
0	43,753	795,033	838,786
0	584,454	0	621,887
0	154,038	0	154,038
0	14,493,599	0	14,493,599
0	5,650,759	0	5,650,759
0	27,244,834	0	27,244,834
0	1,614,241	0	1,614,241
0	31,805,884	0	31,805,884
0	3,737,481	0	3,737,481
0	(25,994,501)	0	(25,994,501)
<u>\$ 3,037,434</u>	<u>\$ 60,785,067</u>	<u>\$ 7,214,407</u>	<u>\$ 72,426,465</u>
<u>\$ 0</u>	<u>\$ 575,904</u>	<u>\$ 0</u>	<u>\$ 575,904</u>
\$ 5,136 0 0	\$ 12,906 72,956 233,132	\$ 23,470 0 135,000	\$ 63,278 72,956 368,132
0	102,529	0	102,529
0	117,945	0	117,945
0	125,361	0	125,361
0	1,221,971	0	1,221,971
0	1,616,720	0	1,616,720
<u>\$ 5,136</u>	<u>\$ 3,503,520</u>	<u>\$ 158,470</u>	<u>\$ 3,688,892</u>
<u>\$ 0</u>	<u>\$ 63,480</u>	<u>\$ 0</u>	<u>\$ 63,480</u>
\$ 0 3,032,298	\$ 56,817,632 976,339	\$ 0 7,055,937	\$ 56,817,632 12,432,365
<u>\$ 3,032,298</u>	<u>\$ 57,793,971</u>	<u>\$ 7,055,937</u>	<u>\$ 69,249,997</u>

BREVARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Functions/</i>	
	<i>North Brevard County Public Library District</i>	<i>Merritt Island Redevelopment Agency</i>
	<u> </u>	<u> </u>
Expenses	\$ 699	\$ 2,174,774
Program revenues:		
Charges for services	\$ 40	\$ 0
Operating grants and matching funds	0	37,433
Capital grants and contributions	<u>0</u>	<u>0</u>
Total program revenues	\$ 40	\$ 37,433
Net program revenue (expenses)	<u>\$ (659)</u>	<u>\$ (2,137,341)</u>
General revenues:		
Taxes:		
Other	\$ 0	\$ 1,058,244
Interest income	<u>0</u>	<u>23,259</u>
Total general revenues	\$ 0	\$ 1,081,503
Changes in net position	\$ (659)	\$ (1,055,838)
Net position - beginning	<u>7,384</u>	<u>2,416,904</u>
Net position - ending	<u>\$ 6,725</u>	<u>\$ 1,361,066</u>

<i>North Brevard Economic Development Zone</i>	<i>Programs</i>		<i>Total</i>
	<i>Titusville- Cocoa Airport Authority</i>	<i>Housing Finance Authority</i>	
\$ 1,371,760	\$ 3,961,939	\$ 137,338	\$ 7,646,510
\$ 10,475	\$ 2,500,348	\$ 108,008	\$ 2,618,871
0	0	0	37,433
0	155,695	0	155,695
\$ 10,475	\$ 2,656,043	\$ 108,008	\$ 2,811,999
\$ (1,361,285)	\$ (1,305,896)	\$ (29,330)	\$ (4,834,511)
\$ 3,108,626	\$ 0	\$ 0	\$ 4,166,870
24,688	67	21,620	69,634
\$ 3,133,314	\$ 67	\$ 21,620	\$ 4,236,504
\$ 1,772,029	\$ (1,305,829)	\$ (7,710)	\$ (598,007)
1,260,269	59,099,800	7,063,647	69,848,004
\$ 3,032,298	\$ 57,793,971	\$ 7,055,937	\$ 69,249,997



BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2017

TABLE 1
1 OF 6

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2017

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA Number</i>	<i>Federal Expenditures</i>
PRIMARY GOVERNMENT - FEDERAL			
DEPARTMENT OF AGRICULTURE:			
Passed through the Florida Department of Agriculture & Consumer Services Summer Food Service Program	FDACS 022303	10.559	\$ 100,762
Passed through the Division of Forestry Volunter Fire Assistance Grant	Brevard County	10.664	\$ 1,877
Total Department of Agriculture			\$ 102,639
DEPARTMENT OF COMMERCE:			
Passed through the Florida Department of Environmental Protection Brevard County Shoreline Survey and Mapping	CM714	11.419	\$ 15,000
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			
Community Development Block Grant, Entitlement	B-14-UC-12-0011	14.218	\$ 139,140
Community Development Block Grant, Loan Guarantee, Health Department	B-14-UC-12-0011	14.218	1,607,953
Community Development Block Grant, Loan Guarantee, W Canaveral Groves	B-14-UC-12-0011-A	14.218	345,452
Community Development Block Grant, Entitlement	B-15-UC-12-0011	14.218	447,642
Community Development Block Grant, Entitlement	B-16-UC-12-0011	14.218	313,594
			\$ 2,853,781
HOME Investment Partnership Program	M13-DC-12-0200	14.239	\$ 170,868
HOME Investment Partnership Program	M14-DC-12-0200	14.239	106,266
HOME Investment Partnership Program	M15-DC-12-0200	14.239	112,836
HOME Investment Partnership Program	M16-DC-12-0200	14.239	97,104
			\$ 487,074
Total Department of Housing and Urban Development			\$ 3,340,855
DEPARTMENT OF THE INTERIOR:			
Payments in Lieu of Taxes		15.226	\$ 69,429
Passed Through U.S. Fish and Wildlife Service Brevard County Artificial Reef Construction Project 2016-17	FWC-16139	15.605	\$ 59,604
National Wildlife Refuge Fund		15.659	\$ 246,635
Total Department of the Interior			\$ 375,668
DEPARTMENT OF JUSTICE:			
Safe Havens Grant	2010-CW-AX-K026	16.013	\$ 88,544
Passed through the Florida Department of Law Enforcement State Criminal Alien Assistance Program (SCAAP)	2016-AP-BX-0527	16.606	\$ 72,464
Justice Assistance Grant Program FY 2016	2016-DJ-BX-0938	16.738	\$ 64,544
Prisoner Transportation/Booking System Improvement XIV	2017-JAGC-BREV-1-F9-186	16.738	146,845
			\$ 211,389
Passed through the Florida Office of the Attorney General VOCA	00387	16.575	\$ 111,919
Total Department of Justice			\$ 484,316
DEPARTMENT OF TRANSPORTATION:			
Federal Aviation Administration Rehab Runway 14/32	3-12-0144-009-2017	20.106	\$ 226,407

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2017

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA Number</i>	<i>Federal Expenditures</i>
DEPARTMENT OF TRANSPORTATION (CONT.):			
Federal Highway Administration			
Passed through the Florida Department of Transportation			
St. Johns Heritage Parkway	AQF56	20.205	\$ 20,880
St. Johns Heritage Parkway & Ellis 4 Lanes	AR235	20.205	60,383
Wickham/Stadium Improvements	G0A36	20.205	555,338
Valkaria Road Sidewalk	G0F55	20.205	19,189
Brevard Zoo Trail	G0247	20.205	224,862
Countywide Intelligent Transportation System	AQC02-G0111-G0193	20.205	205,790
Total Federal Highway Administration			<u>\$ 1,086,442</u>
Federal Transit Administration			
FL90-X762-00	FTA G-18	20.507	\$ 63,504
FL90-X791-00	FTA G-18	20.507	97,676
FL90-X820-00	FTA G-20	20.507	98,001
FL90-X878-00	FTA G-21	20.507	919,536
FL90-X890-00	FTA G-21	20.507	1,187,401
FL2017-059-00	FTA G-23	20.507	2,942,619
			<u>\$ 5,308,737</u>
FL-34-0008-00	FTA G-21	20.526	\$ 95,846
Total Federal Transit Administration			<u>\$ 5,404,583</u>
Passed through Florida Department of Transportation			
Bus and Bus Facilities Formula Program	G0830	20.526	\$ 48,872
Total Department of Transportation			<u>\$ 6,766,304</u>
DEPARTMENT OF THE TREASURY:			
Federal Asset Sharing	FL0050000	21.000	<u>\$ 509,574</u>
GENERAL SERVICES ADMINISTRATION:			
Passed through the Florida Bureau of Federal Property Assistance			
Federal Surplus Property Donation Program		39.003	<u>\$ 528,819</u>
NATIONAL ENDOWMENT FOR THE HUMANITIES:			
Passed through the Florida Humanities Council			
Primetime Affiliate Agreement	CC_PT17_BREVARD_1701	45.129	<u>\$ 7,543</u>
ENVIRONMENTAL PROTECTION AGENCY:			
Passed through the Indian River Lagoon Council			
Today's Leaves & Grass Clippings; Tomorrow's IRL Muck	28489	66.456	\$ 9,509
S Patrick Dr Baffle Box Denitrification Bioreactor	LP05111	66.460	<u>\$ 80,000</u>
Total Environmental Protection Agency			<u>\$ 89,509</u>
DEPARTMENT OF ENERGY:			
Passed through the Florida Department of Economic Opportunity			
Weatherization Assistance Program	16WX-0G-06-15-01-004	81.042	<u>\$ 51,795</u>
U. S. ELECTION ASSISTANCE COMMISSION:			
Passed through the Florida Department of State			
Federal Election Activities	FY2015-2016 Award	90.401	<u>\$ 63,547</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Substance Abuse and Mental Health Services Admin			
Juvenile Drug Court Expansion of Substance Abuse Treatment (ESAT)	5H79TI025039-03	93.243	<u>\$ 218,901</u>

TABLE 1
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BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2017

<i>Federal Grantor/Pass Through Grantor Program Title, Contract No., WPI No., Job No.</i>	<i>Grant or Contract Number</i>	<i>CFDA Number</i>	<i>Federal Expenditures</i>
DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.):			
Passed through the Florida Department of Revenue			
Child Support Enforcement	COC05	93.563	\$ 363,481
Service of Process	CSS05	93.563	51,355
			<u>\$ 414,836</u>
Passed through the Florida Department of Economic Opportunity			
Low Income Energy Assistance (LIHEAP)	16EA-0F-06-15-01-003	93.568	\$ 575,654
Low Income Energy Assistance (LIHEAP)	17EA-0F-06-15-01-003	93.568	565,926
Weatherization Assistance Program	16WX-0G-06-15-01-004	93.568	100,669
Weatherization Assistance Program	17WX-0G-06-15-01-004	93.568	37,779
			<u>\$ 1,280,028</u>
Community Service Block Grant	16SB-0D-06-15-01-002	93.569	\$ 12,639
Community Service Block Grant	17SB-0D-06-15-01-002	93.569	171,141
			<u>\$ 183,780</u>
Total Department of Health and Human Services			<u>\$ 2,097,545</u>
EXECUTIVE OFFICE OF THE PRESIDENT:			
High Intensity Drug Trafficking Areas Program	HIDTA-G16CF0008A	95.001	\$ 25,795
High Intensity Drug Trafficking Areas Program	HIDTA-G16CF0013A	95.001	14,329
High Intensity Drug Trafficking Areas Program	HIDTA-G17CF0013A	95.001	52,296
Total Executive Office of The President			<u>\$ 92,420</u>
DEPARTMENT OF HOMELAND SECURITY:			
Passed through the Florida Division of Emergency Management			
Hurricane Matthew (4283)	17-PA-U5-06-15-02-007	97.036	\$ 15,283,242
Hurricane Irma (4337)	17-PA-00-06-15-02-003	97.036	4,964,601
			<u>\$ 20,247,843</u>
Emergency Management Preparedness and Assistance Grant (SLA)	17-FG-P9-06-15-01-079	97.042	\$ 87,407
Emergency Management Preparedness and Assistance Grant (SLA)	18-FG-7A-06-15-01-243	97.042	21,720
			<u>\$ 109,127</u>
FY 2016 SHSGP - Issue 16	17-DS-V4-06-15-01-305	97.067	\$ 10,999
FY 2015 Homeland Security Grant Program Issues 9, 11 & 16	16-DS-T9-06-15-02-336	97.067	116,262
			<u>\$ 127,261</u>
FY 2015 Assistance to Firefighters	EMW-2015-FP-00102	97.044	\$ 25,250
FY 2016 Assistance to Firefighters	EMW-2016-FO-01209	97.044	124,321
			<u>\$ 149,571</u>
TSA National Explosives Detection Canine Team Program (NEDCTP)	HSTS02-15-H-NCP463	97.072	\$ 285,468
Total Department of Homeland Security			<u>\$ 20,919,270</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - PRIMARY GOVERNMENT			<u><u>\$ 35,444,804</u></u>
COMPONENT UNITS - TITUSVILLE-COCOA AIRPORT AUTHORITY			
DEPARTMENT OF TRANSPORTATION:			
Federal Aviation Administration			
RSA Construction	31200130192014	20.106	\$ 27,578
REILS Replacement	31200800272017	20.106	9,380
Total Department of Transportation			<u>\$ 36,958</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY			<u><u>\$ 35,481,762</u></u>

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2017

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CSFA Number</i>	<i>State Expenditures</i>
PRIMARY GOVERNMENT - STATE			
DEPARTMENT OF JUSTICE ADMINISTRATION:			
Passed through Office of the State Attorney, Eighteenth Judicial Circuit It's Time To Be A Parent Again Pilot Project-State Fiscal Year 2016-2017	SP324	21.006	\$ 365,998
EXECUTIVE OFFICE OF THE GOVERNOR:			
Division of Emergency Management			
Emergency Management Preparedness and Assistance Grant (EMPA)	18-BG-W9-06-15-01-258	31.063	\$ 36,674
Emergency Management Preparedness and Assistance Grant (EMPA)	17-BG-83-06-15-01-012	31.063	84,824
Total Executive Office of the Governor			\$ 121,498
DEPARTMENT OF ENVIRONMENTAL PROTECTION:			
Brevard County Shore Protection Project (Mid-Reach)	15BE3	37.003	\$ 7,371
Brevard County Emergency Dune Restoration	14BE2	37.003	63,935
Brevard County Shore Protection Mid-Reach	16BE1	37.003	494,947
Brevard County Shore Protection Project (North & South Reaches)	15BE4	37.003	61,451
			\$ 627,704
Brevard County Muck Dredging	S0714	37.039	\$ 4,851,577
US 1 Dredging -Indian River Isles	15BE1	37.039	87,515
Indian River Lagoon Oyster Restoration Project	S0763	37.039	25,188
Statewide Surface Water Restoration and Wastewater Projects	S0861	37.039	194,278
Fountainhead Advanced Denitrification System	LP05115	37.039	60,119
Johnson Jr. High School Pond Retrofits -Discharge Regulation	S0916	37.039	320,247
Brevard County Muck Dredging Phase II	NS005	37.039	422,626
Brevard County Barge Canal Force Main	S0863	37.039	43,800
Brevard County Sewer Inflow and Infiltration Reduction	S0862	37.039	96,438
South Beaches Inflow & Infiltration	LP05119	37.039	300,000
Merritt Island Inflow & Infiltration	LP05116	37.039	272,500
			\$ 6,674,288
Clean Water State Revolving Fund	WW051100	37.077	\$ 13,264,575
Total Department of Environmental Protection			\$ 20,566,567
FLORIDA HOUSING FINANCE CORPORATION:			
State Housing Initiative Program Trust Fund	Resolution 2015-047	40.901	\$ 597,249
DEPARTMENT OF STATE:			
Division of Cultural Affairs			
Moore Cultural Complex-Facilities Enhancements	16-9917	45.014	\$ 21,309
Division of Library and Information Services			
State Aid to Libraries	17-ST-01	45.030	\$ 424,236
Total Department of State			\$ 445,545
DEPARTMENT OF TRANSPORTATION:			
Commission for the Transportation Disadvantaged			
Transportation Disadvantage Trip/Equipment Grant	G0B01	55.001	\$ 1,236,987
Transportation Disadvantage Trip/Equipment Grant	G0M26	55.001	255,678
			\$ 1,492,665
Transportation Disadvantaged Planning	G0C30	55.002	\$ 17,664
Total Commission for the Transportation Disadvantaged			\$ 1,510,329

TABLE 1
5 OF 6

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2017

<i>State Grantor/Pass Through Grantor Program Title</i>	<i>Grant or Contract Number</i>	<i>CSFA Number</i>	<i>State Expenditures</i>
DEPARTMENT OF TRANSPORTATION (CONT.):			
Fuel Farm Update	ARR09	55.004	\$ 102,811
Airport Office	G0087	55.004	711,179
Hangar F	GOR46	55.004	1,100
			<u>\$ 815,090</u>
Eau Gallie/Wickham Road Intersection Improvements	ARE77	55.008	\$ 30,360
DOT Block Grant	AQV43	55.010	\$ 1,591,483
Transit Corridor Bus Service SR 520	AOE59	55.013	\$ 385,500
Fixed Route Bus Service SR A1A	AOE60	55.013	385,500
			<u>\$ 771,000</u>
Pineda Causeway Overpass	AQJ65	55.021	\$ 529,041
Barnes Blvd Widening	AR551	55.026	\$ 55,386
Total Department of Transportation			<u>\$ 5,302,689</u>
DEPARTMENT OF HEALTH:			
Emergency Medical Services County Trust	C5005	64.005	\$ 109,043
DEPARTMENT OF LAW ENFORCEMENT:			
Victim/Witness Protection Program		71.006	\$ 983
Assistance with Investigative Operations-ESST	EST31	71.010	\$ 3,175
Total Department of Law Enforcement			<u>\$ 4,158</u>
DEPARTMENT OF HIGHWAY SAFETY & MOTOR VEHICLES:			
Sea Turtle Grant Program - Coastal Low Income Schools	16-042E	76.070	\$ 13,079
Sea Turtle Grant Program - Coastal Low Income Schools	17-031E	76.070	1,087
Total Department of Highway Safety & Motor Vehicles			<u>\$ 14,166</u>
FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION:			
Derelict Vessel Removal Grant Project	FWC-16168	77.005	\$ 42,000
Lake Washington Park Airboat Ramp	FWC-14089	77.006	\$ 33,500
Total Florida Fish and Wildlife Conservation Commission			<u>\$ 75,500</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - PRIMARY GOVERNMENT			<u>\$ 27,602,413</u>
COMPONENT UNITS - TITUSVILLE-COCOA AIRPORT AUTHORITY			
DEPARTMENT OF TRANSPORTATION:			
RSA Construction	ARS42	55.004	\$ 3,882
TIX Airfield Markings - AGIS	ARP44	55.004	457
COI Building 26 Demolition	G0851	55.004	35,477
COI North Area Security and Infrastructure	G0205	55.004	71,835
REILS Replacement	AS558	55.004	521
Port A Port Replacement	G0N49	55.004	6,565
Total Department of Transportation			<u>\$ 118,737</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - REPORTING ENTITY			<u>\$ 27,721,150</u>

BREVARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2017

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

1) **General:**

The Schedule of Expenditures of Federal Awards and State Financial Assistance presents the activity of all federal programs and state projects of Brevard County, Florida. The reporting entity of Brevard County is defined in the notes to financial statements. The County did not elect to utilize the 10% de minimis indirect cost rate.

2) **Basis of Accounting:**

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

3) **Transfers to Subrecipients:**

During the year ended September 30, 2017, the following amounts were provided to subrecipients from each Federal Program and State Project.

Name of Federal Program:	<u>CFDA</u>	Amount <u>Transferred</u>
CDBG - Entitlement	14.218	\$ 157,944
CDBG - Loan Guarantee	14.218	\$ 1,600,000
HOME	14.239	\$ 465,628
Valkaria Sidewalk Project	20.205	\$ 12,222
Name of State Project:	<u>CSFA</u>	Amount <u>Transferred</u>
Emergency Medical Services	64.005	\$ 3,281

4) **Non-cash Awards:**

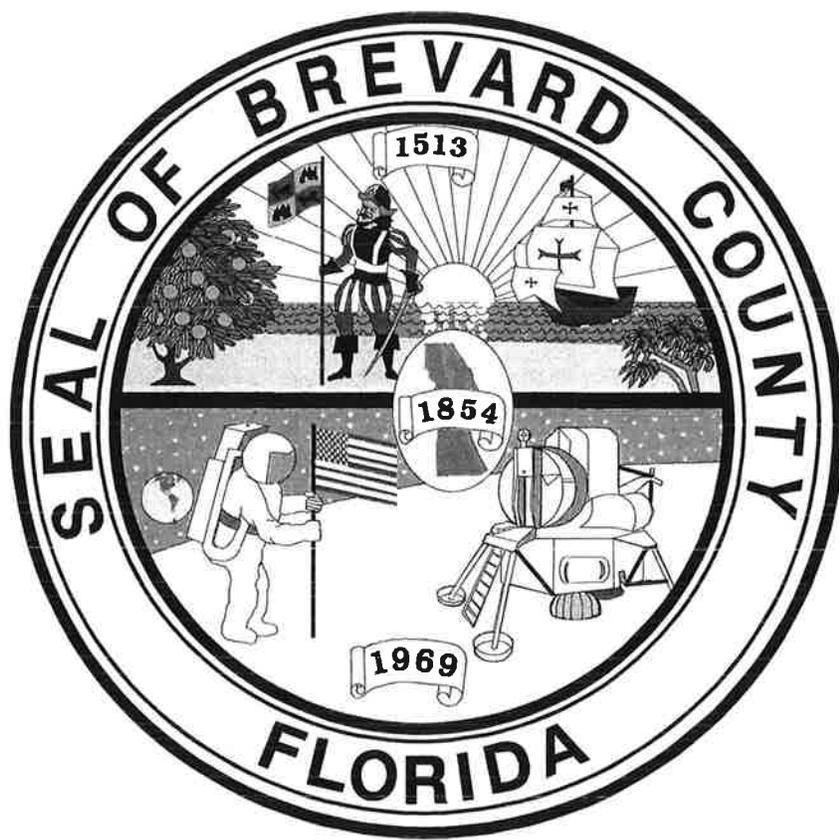
During the year ended September 30, 2017, the County received the following non-cash donations from the General Services Administration (passed through the Florida Bureau of Federal Property Assistance).

<u>CFDA</u>	Amount <u>Worth</u>
39.003	\$ 528,819

5) **Identification of Federal Clusters:**

DEPARTMENT OF TRANSPORTATION:

	<u>CFDA</u>	Amount <u>Worth</u>
FL90-X762-00	FTA G-18 20.507	\$ 63,504
FL90-X791-00	FTA G-18 20.507	97,676
FL90-X820-00	FTA G-20 20.507	98,001
FL90-X878-00	FTA G-21 20.507	919,536
FL90-X890-00	FTA G-21 20.507	1,187,401
FL2017-059-00	FTA G-23 20.507	2,942,619
FL-34-0008-00	FTA G-21 20.526	95,846
Bus and Bus Facilities Formula Program	G0830 20.526	48,872
		<u>\$ 5,453,455</u>



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

SEPTEMBER 30, 2017

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*



Independent Auditor's Report on Compliance for each Major Federal Program and State Project and Report on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550 Rules of the Auditor General



Schedule of Findings and Questioned Costs



Summary Schedule of Prior Year Audit Findings



Management Letter



Independent Accountant's Report on Investment and Emergency Communications Number E911 System Fund Compliance

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

Titusville - Cocoa Airport Authority
Housing Finance Authority

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

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

Board of County Commissioners
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Brevard County, Florida's basic financial statements and have issued our report thereon dated March 27, 2018. Our report includes a reference to other auditors. Other auditors audited the financial statements of Titusville-Cocoa Airport Authority, and the Brevard County Housing Finance Authority, as described in our report on Brevard County, Florida's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550 RULES OF THE AUDITOR GENERAL

Board of County Commissioners
Brevard County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Brevard County, Florida's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of Brevard County, Florida's major federal programs and state projects for the year ended September 30, 2017. Brevard County, Florida's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Brevard County, Florida's basic financial statements include the operations of the Titusville-Cocoa Airport Authority, which received \$36,958 in federal awards and \$118,737 in state financial assistance which is included and separately presented in the schedule of expenditures of federal awards and state financial assistance during the year ended September 30, 2017. 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 Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, Rules of the Auditor General, State of Florida.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Brevard County, Florida's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and Chapter 10.550, Rules of the Auditor General, State of Florida ("Chapter 10.550").

Those standards and the Uniform Guidance and Chapter 10.550 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about Brevard County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Project

In our opinion, Brevard County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2017.

Report on Internal Control over Compliance

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

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

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

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2017

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Federal Awards

- 1. Internal control over major programs:
 - a. Material weaknesses identified? No
 - b. Significant deficiencies identified? None reported
- 2. Type of auditor's report issued on compliance for major programs: Unmodified
- 3. Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) are included in this schedule? No
- 4. Dollar threshold used to distinguish between type A and type B Programs: \$1,063,344
- 5. Auditee qualified as a low-risk auditee? Yes

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Program</u>
20.205	DOT Federal Highway Administration
14.218	HUD Community Development Block Grant
97.036	Florida Division of Emergency Management

BREVARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2017

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

State Financial Assistance

- | | |
|---|---------------|
| 1. Type of auditor's report issued on compliance for major projects: | Unmodified |
| 2. Internal control over major projects: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified? | None reported |
| 3. Any audit findings disclosed that are required to be reported under Rule 10.554? | No |
| 4. Dollar threshold used to distinguish between type A and type B Projects: | \$828,072 |

Identification of major state projects:

<u>CSFA Number</u>	<u>Name of Project</u>
37.077	DEP Clean Water SRF South Central WWTP Expansion
55.001	DOT Transportation Disadvantage/TRIP
55.004	DOT Airport
55.010	DOT Block Grant

BREVARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2017

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS

None reported.

SECTION IV - FINDINGS AND QUESTIONED COSTS - MAJOR STATE PROJECTS

None reported.

BREVARD COUNTY, FLORIDA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2017

Summary Schedule of Prior Year Audit Findings

2016-001 Proper period reporting in the internal service fund

Significant deficiency in financial reporting

Condition: During our preliminary account comparison to the prior year, we identified a material decrease in the prepaid account and a material increase in the insurance outside agency expense account. We noted certain items that were expensed in the current year that were actually benefiting a future period and should have been recorded in the prepaid account as of September 30, 2016.

Recommendation: We recommend that accounting staff be provided training on the correct process for recording prepaid expenditures.

Current Status: The recommendation was adopted in fiscal year 2017. No similar findings were noted in the 2017 audit.

MANAGEMENT LETTER

Board of County Commissioners
Brevard County, Florida

Report on the Financial Statements

We have audited the financial statements of Brevard County, Florida, as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated March 27, 2018.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 27, 2018, should be considered in conjunction with this management letter.

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

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The corrective action has been taken to address the finding and recommendation made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Brevard County Board of County Commissioners and County Officers were originally established by the Constitution of the State of Florida, Article VIII, Section 1(e). Effective January 1, 1995, the citizens of Brevard County, Florida, elected to establish a Home Rule Charter in accordance with the Constitution of the State of Florida, Article VIII, Section 1(g). Component units of Brevard County, Florida are disclosed in the notes to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not Brevard County, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that Brevard County, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor Brevard County, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. In connection with our audit, we determined Brevard County, Florida's overall financial condition is favorable.

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

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for Brevard County, Florida for the fiscal year ended September 30, 2017, 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, 2017. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

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

To the Board of County Commissioners
Brevard County, Florida

We have examined the Brevard County's compliance with Sections 218.415, 365.172 and 365.173 Florida Statutes, regarding the investment of public funds and emergency communications number E911 system fund during the year ended September 30, 2017. Management is responsible for the Brevard County's compliance with these requirements. Our responsibility is to express an opinion on the Brevard County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Brevard County's compliance with the specified requirements.

In our opinion, Brevard County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY SHERIFF
 ANNUAL FINANCIAL REPORT
 SEPTEMBER 30, 2017
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Brevard County Sheriff, Florida (the "Sheriff") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's special-purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Emphasis of Matter

As described in Note 1-B, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the *Rules of the Auditor General*, State of Florida, and present only the financial position of the Sheriff at September 30, 2017, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2017, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Sheriff as of September 30, 2017 and the respective changes in financial position and respective budgetary comparison for the General, Special Law Enforcement District, and Inmate Welfare Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2018, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP



BREVARD COUNTY

SHERIFF

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2017



BREVARD COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	<u>General</u>	<u>Special Law Enforcement District</u>
ASSETS		
Cash	\$ 3,821,509	\$ 549,051
Accounts receivable	165,623	818
Due from other funds	127,683	0
Due from constitutional officers	180,059	128,959
Due from other governmental units	200,239	49,500
Inventory of supplies	1,002,500	0
Prepaid items	4,067	0
Total assets	<u>\$ 5,501,680</u>	<u>\$ 728,328</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 1,039,830	\$ 207
Accrued wages and benefits payable	1,435,200	270,801
Due to other funds	0	25,873
Due to constitutional officers	1,828,094	431,447
Due to other governmental units	18,223	0
Unearned revenue	173,766	0
Total liabilities	<u>\$ 4,495,113</u>	<u>\$ 728,328</u>
Fund balances:		
Non-spendable:		
Inventory	\$ 1,002,500	\$ 0
Prepaid items	4,067	0
Restricted:		
Other purposes	0	0
Total fund balances	<u>\$ 1,006,567</u>	<u>\$ 0</u>
Total liabilities and fund balances	<u>\$ 5,501,680</u>	<u>\$ 728,328</u>

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

<u>Inmate Welfare</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 1,843,400	\$ 585,618	\$ 6,799,578
100,896	0	267,337
33,833	0	161,516
0	0	309,018
0	0	249,739
0	0	1,002,500
0	0	4,067
<u>\$ 1,978,129</u>	<u>\$ 585,618</u>	<u>\$ 8,793,755</u>
\$ 28,868	\$ 0	\$ 1,068,905
0	0	1,706,001
0	96,810	122,683
0	88,675	2,348,216
0	0	18,223
0	78,041	251,807
<u>\$ 28,868</u>	<u>\$ 263,526</u>	<u>\$ 5,515,835</u>
\$ 0	\$ 0	\$ 1,002,500
0	0	4,067
<u>1,949,261</u>	<u>322,092</u>	<u>2,271,353</u>
<u>\$ 1,949,261</u>	<u>\$ 322,092</u>	<u>\$ 3,277,920</u>
<u>\$ 1,978,129</u>	<u>\$ 585,618</u>	<u>\$ 8,793,755</u>

BREVARD COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>General</i>	<i>Special Law Enforcement District</i>
REVENUES		
Intergovernmental revenues	\$ 1,391,557	\$ 64,544
Charges for services	8,879,495	195,750
Fines and forfeits	0	0
Miscellaneous revenues	1,828,470	63,959
Total revenues	\$ 12,099,522	\$ 324,253
EXPENDITURES		
Public safety	\$ 102,579,014	\$ 17,250,022
Capital outlay	1,885,002	980,766
Debt service:		
Principal	93,804	0
Total expenditures	\$ 104,557,820	\$ 18,230,788
Excess (deficiency) of revenues over (under) expenditures	\$ (92,458,298)	\$ (17,906,535)
OTHER FINANCING SOURCES AND (USES)		
Transfers from constitutional officers	\$ 92,729,418	\$ 18,944,368
Transfers to constitutional officers	(562,702)	(1,037,833)
Capital related debt issued	247,219	0
Proceeds of the sale of capital assets	44,363	0
Total other financing sources and (uses)	\$ 92,458,298	\$ 17,906,535
Net change in fund balances	\$ 0	\$ 0
Fund balances - beginning	883,848	0
Increase in non-spendable	122,719	0
Fund balances - ending	\$ 1,006,567	\$ 0

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

<i>Inmate Welfare</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 0	\$ 0	\$ 1,456,101
41	0	9,075,286
0	52,498	52,498
1,041,086	1,539	2,935,054
<u>\$ 1,041,127</u>	<u>\$ 54,037</u>	<u>\$ 13,518,939</u>
\$ 524,616	\$ 544,813	\$ 120,898,465
5,785	247,574	3,119,127
0	0	93,804
<u>\$ 530,401</u>	<u>\$ 792,387</u>	<u>\$ 124,111,396</u>
<u>\$ 510,726</u>	<u>\$ (738,350)</u>	<u>\$ (110,592,457)</u>
\$ 0	\$ 371,108	\$ 112,044,894
0	(88,675)	(1,689,210)
0	0	247,219
0	0	44,363
<u>\$ 0</u>	<u>\$ 282,433</u>	<u>\$ 110,647,266</u>
\$ 510,726	\$ (455,917)	\$ 54,809
1,438,535	778,009	3,100,392
0	0	122,719
<u>\$ 1,949,261</u>	<u>\$ 322,092</u>	<u>\$ 3,277,920</u>

BREVARD COUNTY SHERIFF
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental revenues	\$ 526,182	\$ 1,393,080	\$ 1,391,557	\$ (1,523)
Charges for services	8,871,896	8,871,896	8,879,495	7,599
Miscellaneous revenues	1,406,298	1,659,807	1,828,470	168,663
Total revenues	<u>\$ 10,804,376</u>	<u>\$ 11,924,783</u>	<u>\$ 12,099,522</u>	<u>\$ 174,739</u>
EXPENDITURES				
Public safety	\$ 101,617,624	\$ 102,417,616	\$ 102,579,014	\$ (161,398)
Capital outlay	1,451,150	2,018,784	1,885,002	133,782
Debt service:				
Principal	0	0	93,804	(93,804)
Total expenditures	<u>\$ 103,068,774</u>	<u>\$ 104,436,400</u>	<u>\$ 104,557,820</u>	<u>\$ (121,420)</u>
Deficiency of revenues under expenditures	<u>\$ (92,264,398)</u>	<u>\$ (92,511,617)</u>	<u>\$ (92,458,298)</u>	<u>\$ 53,319</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers	\$ 92,729,418	\$ 92,729,418	\$ 92,729,418	\$ 0
Transfers to constitutional officers	(495,020)	(495,020)	(562,702)	(67,682)
Capital related debt issued	0	247,219	247,219	0
Proceeds of the sale of capital assets	30,000	30,000	44,363	14,363
Total other financing sources and (uses)	<u>\$ 92,264,398</u>	<u>\$ 92,511,617</u>	<u>\$ 92,458,298</u>	<u>\$ (53,319)</u>
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	883,848	883,848	883,848	0
Increase in non-spendable	0	0	122,719	122,719
Fund balances - ending	<u>\$ 883,848</u>	<u>\$ 883,848</u>	<u>\$ 1,006,567</u>	<u>\$ 122,719</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 0	\$ 64,544	\$ 64,544	\$ 0
Charges for services	195,000	195,000	195,750	750
Miscellaneous revenues	5,000	5,000	63,959	58,959
Total revenues	<u>\$ 200,000</u>	<u>\$ 264,544</u>	<u>\$ 324,253</u>	<u>\$ 59,709</u>
EXPENDITURES				
Public safety	\$ 17,570,058	\$ 17,634,602	\$ 17,250,022	\$ 384,580
Capital outlay	822,323	2,243,483	980,766	1,262,717
Total expenditures	<u>\$ 18,392,381</u>	<u>\$ 19,878,085</u>	<u>\$ 18,230,788</u>	<u>\$ 1,647,297</u>
Deficiency of revenues under expenditures	<u>\$ (18,192,381)</u>	<u>\$ (19,613,541)</u>	<u>\$ (17,906,535)</u>	<u>\$ 1,707,006</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers	\$ 18,815,409	\$ 20,236,569	\$ 18,944,368	\$ (1,292,201)
Transfers to constitutional officers	(628,028)	(628,028)	(1,037,833)	(409,805)
Proceeds of the sale of capital assets	5,000	5,000	0	(5,000)
Total other financing sources and (uses)	<u>\$ 18,192,381</u>	<u>\$ 19,613,541</u>	<u>\$ 17,906,535</u>	<u>\$ (1,707,006)</u>
Net change in fund balances	\$ 0	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

BREVARD COUNTY SHERIFF
INMATE WELFARE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 0	\$ 0	\$ 41	\$ 41
Miscellaneous revenues	650,000	650,000	1,041,086	391,086
Total revenues	<u>\$ 650,000</u>	<u>\$ 650,000</u>	<u>\$ 1,041,127</u>	<u>\$ 391,127</u>
EXPENDITURES				
Public safety	\$ 650,000	\$ 650,000	\$ 524,616	\$ 125,384
Capital outlay	0	0	5,785	(5,785)
Total expenditures	<u>\$ 650,000</u>	<u>\$ 650,000</u>	<u>\$ 530,401</u>	<u>\$ 119,599</u>
Excess of revenues over expenditures	\$ 0	\$ 0	\$ 510,726	\$ 510,726
Fund balances - beginning	1,438,535	1,438,535	1,438,535	0
Fund balances - ending	<u>\$ 1,438,535</u>	<u>\$ 1,438,535</u>	<u>\$ 1,949,261</u>	<u>\$ 510,726</u>

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

BREVARD COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2017

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 85,948
LIABILITIES	
Due to individuals and others	\$ 26,535
Due to other funds	38,833
Due to other governmental units	20,580
Total liabilities	<u>\$ 85,948</u>

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

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

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

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

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

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

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

Non-spendable Fund Balance – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally items such as long-term amounts of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact. As of September 30, 2017, the Sheriff has \$1,006,567 of a non-spendable fund balance which represents \$1,002,500 of inventories and \$4,067 of prepaid items.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

Spendable Fund Balance:

- **Restricted Fund Balance** – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. As of September 30, 2017 the Sheriff has \$2,271,353 of restricted fund balance to be used for other purposes.
- **Committed Fund Balance** – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Sheriff. Commitments may be changed or lifted only by the Sheriff taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- **Assigned Fund Balance** – Included spendable fund balance amounts established by the Sheriff that are intended to be used for specific purposes and are neither considered restricted or committed.
- **Unassigned Fund Balance** – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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

The Sheriff utilizes the following major funds:

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

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

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

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

The Sheriff also reports the following fund types:

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

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

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

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

C. Budget

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

D. Interfund Receivables and Payables

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

E. Capital Assets

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

F. Inventory and Prepaid Items

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

G. Investments

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

H. Accrued Compensated Absences

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

I. Use of Estimates

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

2. Cash and Investments

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

The total cash amount for the Sheriff was \$6,885,526, and deposits with financial institutions were \$7,240,851. The bank balance is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the State Treasury in accordance with Chapter 280, Florida Statutes.	\$7,240,851
---	-------------

Included in the total cash amount is \$29,095 which represents cash on hand.

On September 30, 2017, the Sheriff had \$28,365 invested in the State Board of Administration's Florida Prime, which is also included in the total cash amount.

3. Leases and Other Commitments

The Sheriff is obligated under operating lease agreements for building facilities expiring between July 2019 and December 2030. The total cost for these leases was \$104,483 for the year ended September 30, 2017. The future minimum lease payments are as follows:

Year Ended September 30	<u>Amount</u>
2018	\$ 109,192
2019	97,181
2020	15,873
2021	16,349
2022	16,840
2023-2027	92,088
2028-2030	<u>67,603</u>
Total minimum lease payable	<u>\$ 415,126</u>

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

The Sheriff is obligated under several operating lease agreements for office copiers expiring between October 2017 and January 2022. Total cost for the leases was \$230,401 for the year ended September 30, 2017. The future minimum lease payments are as follows:

Year Ended September 30	Amount
2018	\$ 143,806
2019	117,528
2020	74,174
2021	31,804
2022	3,484
Total minimum lease payable	<u>\$ 370,796</u>

The Sheriff is obligated under several operating lease agreements for Dell computers expiring between April 2020 and January 2021. Total cost for the leases was \$144,702 for the year ended September 30, 2017. The future minimum lease payments are as follows:

Year Ended <u>September 30</u>	Amount
2018	\$ 144,702
2019	144,702
2020	144,702
2021	74,582
Total minimum lease payable	<u>\$ 508,688</u>

The Board of County Commissioners obtained a bank note for the construction of a facility used for the Sheriff's office North Precinct of which the Sheriff is responsible for making lease payments equal to the debt of the loan. Total cost for the lease was \$262,000 for the year ended September 30, 2017. The future minimum lease payments are as follows:

Year Ended September 30	Amount
2018	\$ 262,083
2019	262,149
2020	262,075
2021	261,863
2022	261,512
2023-2027	1,316,308
2028-2032	1,312,084
Total minimum lease payable	<u>\$ 3,938,074</u>

The Sheriff is obligated to fulfill their prior commitment to the Board of County Commissioners and make payments from May 2018 to May 2027. The commercial paper loans were approved for the construction of a hangar at TICO, the replacement of the Computer Aided Dispatch system, and the acquisition of a building and land for the Sheriff's Criminal Investigation Division and Crime Scene Investigation Laboratory in Rockledge.

The Board of County Commissioners authorized borrowing additional funds to provide for the financing of the replacement of the Computer Aided Dispatch, Records Management and Jail Management System (CAD/RM/JM) in the amount of \$3,800,000. This loan will be amortized over a period of 12 years from October 2017 to October 2029, with an annual payment of \$280,000.

BREVARD COUNTY SHERIFF
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

The minimum commitments payable are as follows:

Year Ended September 30	<u>Amount</u>
2018	\$ 279,615
2019	279,615
2020	279,615
2021	279,615
2022	279,615
2023-2027	1,398,075
2028-2030	<u>835,366</u>
Total minimum lease payable	<u>\$ 3,631,516</u>

4. Risk Management

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

5. Deferred Compensation

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

6. Contingent Liabilities

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

7. Retirement Plan

Refer to Note 25 in the County-wide Financial Statements.

8. Other Postemployment Benefits

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

9. Comparison of Expenditures to Appropriations

General Fund expenditures exceeded appropriations by \$121,420. Federal Forfeiture Treasury Fund expenditures exceeded appropriations by \$509,574.

10. Subsequent Event

The Sheriff has evaluated subsequent events through March 27, 2018, the date which the financial statements were issued.



BREVARD COUNTY

SHERIFF

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

SEPTEMBER 30, 2017



BREVARD COUNTY SHERIFF

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

Federal Forfeiture Department of Justice - is used to account for the receipt of federal revenue obtained from confiscated property and monies declared forfeited by a Circuit Court Judge. These monies are used in accordance with Federal Department of Justice guidelines for law enforcement purposes. Federal guidelines do not require an adopted budget.

Federal Forfeiture Department of Treasury - is used to account for receipt of federal revenue obtained from confiscated property and monies declared forfeited by a Circuit Court Judge. These monies are used in accordance with Federal Department of Treasury guidelines for law enforcement purposes. Federal guidelines do not require an adopted budget.

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

BREVARD COUNTY SHERIFF
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	<i>Special Revenue</i>		
	<u><i>Contraband</i></u>	<u><i>Special Law Enforcement Training Fund Second Dollar</i></u>	<u><i>Special Law Enforcement Training \$2.50 Fund</i></u>
ASSETS			
Cash	\$ 89,888	\$ 24,000	\$ 72,810
LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other funds	\$ 0	\$ 24,000	\$ 72,810
Due to constitutional officers	11,847	0	0
Unearned revenue	78,041	0	0
Total liabilities	<u>\$ 89,888</u>	<u>\$ 24,000</u>	<u>\$ 72,810</u>
Fund balances:			
Restricted:			
Other purposes	\$ 0	\$ 0	\$ 0
Total liabilities and fund balances	<u><u>\$ 89,888</u></u>	<u><u>\$ 24,000</u></u>	<u><u>\$ 72,810</u></u>

<i>Special Revenue</i>			
<i>Federal Forfeiture Department of Justice</i>	<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>Total</i>
\$ 266,891	\$ 55,201	\$ 76,828	\$ 585,618
\$ 0	\$ 0	\$ 0	\$ 96,810
0	0	76,828	88,675
0	0	0	78,041
\$ 0	\$ 0	\$ 76,828	\$ 263,526
\$ 266,891	\$ 55,201	\$ 0	\$ 322,092
<u>\$ 266,891</u>	<u>\$ 55,201</u>	<u>\$ 76,828</u>	<u>\$ 585,618</u>

BREVARD COUNTY SHERIFF
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Special Revenue</i>		
	<i>Contraband</i>	<i>Special Law Enforcement Training Fund Second Dollar</i>	<i>Special Law Enforcement Training \$2.50 Fund</i>
REVENUES			
Fines and forfeits	\$ 0	\$ 0	\$ 0
Miscellaneous revenues	380	0	0
Total revenues	<u>\$ 380</u>	<u>\$ 0</u>	<u>\$ 0</u>
EXPENDITURES			
Public safety	\$ 183,533	\$ 24,000	\$ 72,810
Capital outlay	0	0	0
Total expenditures	<u>\$ 183,533</u>	<u>\$ 24,000</u>	<u>\$ 72,810</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (183,153)</u>	<u>\$ (24,000)</u>	<u>\$ (72,810)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 195,000	\$ 24,000	\$ 72,810
Transfers to constitutional officers	(11,847)	0	0
Total other financing sources and (uses)	<u>\$ 183,153</u>	<u>\$ 24,000</u>	<u>\$ 72,810</u>
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	\$ 0	\$ 0	\$ 0
Fund balances - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Special Revenue

<i>Federal Forfeiture Department of Justice</i>	<i>Federal Forfeiture Department of Treasury</i>	<i>Crime Prevention</i>	<i>Total</i>
\$ 9,378	\$ 43,120	\$ 0	\$ 52,498
536	623	0	1,539
<u>\$ 9,914</u>	<u>\$ 43,743</u>	<u>\$ 0</u>	<u>\$ 54,037</u>
\$ 0	\$ 262,000	\$ 2,470	\$ 544,813
0	247,574	0	247,574
<u>\$ 0</u>	<u>\$ 509,574</u>	<u>\$ 2,470</u>	<u>\$ 792,387</u>
\$ 9,914	\$ (465,831)	\$ (2,470)	\$ (738,350)
\$ 0	\$ 0	\$ 79,298	\$ 371,108
0	0	(76,828)	(88,675)
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,470</u>	<u>\$ 282,433</u>
\$ 9,914	\$ (465,831)	\$ 0	\$ (455,917)
\$ 256,977	\$ 521,032	\$ 0	\$ 778,009
<u>\$ 266,891</u>	<u>\$ 55,201</u>	<u>\$ 0</u>	<u>\$ 322,092</u>

BREVARD COUNTY SHERIFF
CONTRABAND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Miscellaneous revenues	\$ 0	\$ 380	\$ 380
EXPENDITURES			
Public safety	\$ 195,000	\$ 183,533	\$ 11,467
Deficiency of revenues under expenditures	\$ (195,000)	\$ (183,153)	\$ 11,847
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 195,000	\$ 195,000	\$ 0
Transfers to constitutional officers	0	(11,847)	(11,847)
Total other financing sources and (uses)	\$ 195,000	\$ 183,153	\$ (11,847)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0

BREVARD COUNTY SHERIFF
SPECIAL LAW ENFORCEMENT TRAINING FUND SECOND DOLLAR
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 24,000	\$ 24,000	\$ 0
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 24,000	\$ 24,000	\$ 0
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0

BREVARD COUNTY SHERIFF
SPECIAL LAW ENFORCEMENT TRAINING \$2.50 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 84,000	\$ 72,810	\$ 11,190
OTHER FINANCING SOURCES			
Transfers from constitutional officers	\$ 84,000	\$ 72,810	\$ (11,190)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

BREVARD COUNTY SHERIFF
FEDERAL FORFEITURE DEPARTMENT OF JUSTICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Fines and forfeits	\$ 0	\$ 9,378	\$ 9,378
Miscellaneous revenues	0	536	536
Total revenues	<u>\$ 0</u>	<u>\$ 9,914</u>	<u>\$ 9,914</u>
Fund balances - beginning	256,977	256,977	0
Fund balances - ending	<u><u>\$ 256,977</u></u>	<u><u>\$ 266,891</u></u>	<u><u>\$ 9,914</u></u>

BREVARD COUNTY SHERIFF
FEDERAL FORFEITURE DEPARTMENT OF TREASURY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
REVENUES			
Fines and forfeits	\$ 0	\$ 43,120	\$ 43,120
Miscellaneous revenues	0	623	623
Total revenues	<u>\$ 0</u>	<u>\$ 43,743</u>	<u>\$ 43,743</u>
EXPENDITURES			
Public safety	\$ 0	\$ 262,000	\$ (262,000)
Capital outlay	0	247,574	(247,574)
Total expenditures	<u>\$ 0</u>	<u>\$ 509,574</u>	<u>\$ (509,574)</u>
Deficiency of revenues under expenditures	\$ 0	\$ (465,831)	\$ (465,831)
Fund balances - beginning	<u>521,032</u>	<u>521,032</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 521,032</u></u>	<u><u>\$ 55,201</u></u>	<u><u>\$ (465,831)</u></u>

BREVARD COUNTY SHERIFF
CRIME PREVENTION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with final budget - Positive (Negative)</i>
EXPENDITURES			
Public safety	\$ 79,298	\$ 2,470	\$ 76,828
OTHER FINANCING SOURCES AND (USES)			
Transfers from constitutional officers	\$ 79,298	\$ 79,298	\$ 0
Transfers to constitutional officers	0	(76,828)	(76,828)
Total other financing sources and (uses)	\$ 79,298	\$ 2,470	\$ (76,828)
Net change in fund balances	\$ 0	\$ 0	\$ 0
Fund balances - beginning	0	0	0
Fund balances - ending	\$ 0	\$ 0	\$ 0



BREVARD COUNTY

SHERIFF

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



MANAGEMENT LETTER



SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS



INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

SEPTEMBER 30, 2017

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Brevard County Sheriff (the "Sheriff"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated March 27, 2018.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

March 27, 2018
Melbourne, FL

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the Brevard County Sheriff, Florida (the "Sheriff"), as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated March 27, 2018.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Brevard County Sheriff

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

September 30, 2017

2016-001 Budget over expenditure

Condition: During fiscal year 2016, actual expenditures exceeded final budgeted appropriations of the inmate welfare fund by approximately \$188,000.

Recommendation: We recommend that the Sheriff amend their budget regularly as known unbudgeted expenditures are identified.

Current Status: The finding was cleared in the current year.

BERMAN HOPKINS
WRIGHT & LAHAM

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INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

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

We have examined the Brevard County Sheriff's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2017. Management of the Brevard County Sheriff is responsible for the Brevard County Sheriff's compliance with the specified requirements. Our responsibility is to express an opinion on the Brevard County Sheriff's compliance based on our examination.

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

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

In our opinion, the Brevard County Sheriff complied, in all material respects, with Section 218.415, Florida Statutes, during the year ended September 30, 2017.

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP



BREVARD COUNTY CLERK OF THE CIRCUIT COURT
ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2017

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Clerk of the Circuit Court of Brevard County, Florida (the "Clerk") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Clerk's special-purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Emphasis of Matter

As described in Note 1-B, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the *Rules of the Auditor General, State of Florida*, and present only the financial position of the Clerk at September 30, 2017, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2017, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Opinions

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, and the respective financial position of each major fund information of the Clerk, as of September 30, 2017, and the respective changes in financial position and the respective budgetary comparison for the General, Records Modernization Trust, 10% Fine, and Court Related Technology Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2018, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

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

SEPTEMBER 30, 2017



BREVARD COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	<u>General</u>	<u>Records Modernization Trust</u>
ASSETS		
Cash	\$ 1,108,704	\$ 603,611
Other receivable	1,608	0
Due from constitutional officers	10,824	0
Due from other governmental units	464,768	0
Prepaid items	586,718	0
Total assets	<u>\$ 2,172,622</u>	<u>\$ 603,611</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Vouchers and contracts payable	\$ 106,659	\$ 23,999
Accrued wages and benefits payable	1,047,723	0
Due to other governmental units	1,018,240	0
Total liabilities	<u>\$ 2,172,622</u>	<u>\$ 23,999</u>
Fund balances:		
Restricted:		
Other purposes	\$ 0	\$ 579,612
Total liabilities and fund balances	<u>\$ 2,172,622</u>	<u>\$ 603,611</u>

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

<u>10% Fine Fund</u>	<u>Court Related Technology</u>	<u>Total</u>
\$ 0	\$ 629,174	\$ 2,341,489
0	0	1,608
0	0	10,824
0	0	464,768
0	9,937	596,655
<u>\$ 0</u>	<u>\$ 639,111</u>	<u>\$ 3,415,344</u>
\$ 0	\$ 6,402	\$ 137,060
0	13,061	1,060,784
0	0	1,018,240
<u>\$ 0</u>	<u>\$ 19,463</u>	<u>\$ 2,216,084</u>
<u>\$ 0</u>	<u>\$ 619,648</u>	<u>\$ 1,199,260</u>
<u>\$ 0</u>	<u>\$ 639,111</u>	<u>\$ 3,415,344</u>

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>General</u>	<u>Records Modernization Trust</u>
REVENUES		
Intergovernmental revenues	\$ 3,309,256	\$ 0
Charges for services	11,921,626	386,493
Miscellaneous revenues	187,949	35
Total revenues	<u>\$ 15,418,831</u>	<u>\$ 386,528</u>
EXPENDITURES		
Current:		
General government	\$ 17,608,831	\$ 299,671
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,190,000)</u>	<u>\$ 86,857</u>
OTHER FINANCING SOURCES		
Transfers from constitutional officers	\$ 2,190,000	\$ 0
Net change in fund balances	\$ 0	\$ 86,857
Fund balances - beginning	<u>0</u>	<u>492,755</u>
Fund balances - ending	<u>\$ 0</u>	<u>\$ 579,612</u>

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

<u>10% Fine Fund</u>	<u>Court Related Technology</u>	<u>Total</u>
\$ 0	\$ 0	\$ 3,309,256
248,362	1,125,978	13,682,459
59	115	188,158
<u>\$ 248,421</u>	<u>\$ 1,126,093</u>	<u>\$ 17,179,873</u>
<u>\$ 268,879</u>	<u>\$ 873,026</u>	<u>\$ 19,050,407</u>
<u>\$ (20,458)</u>	<u>\$ 253,067</u>	<u>\$ (1,870,534)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,190,000</u>
<u>\$ (20,458)</u>	<u>\$ 253,067</u>	<u>\$ 319,466</u>
<u>20,458</u>	<u>366,581</u>	<u>879,794</u>
<u><u>\$ 0</u></u>	<u><u>\$ 619,648</u></u>	<u><u>\$ 1,199,260</u></u>

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
Intergovernmental revenues	\$ 3,289,384	\$ 3,289,384	\$ 3,309,256	\$ 19,872
Charges for services	11,165,000	11,947,200	11,921,626	(25,574)
Miscellaneous revenues	185,000	185,000	187,949	2,949
Total revenues	<u>\$ 14,639,384</u>	<u>\$ 15,421,584</u>	<u>\$ 15,418,831</u>	<u>\$ (2,753)</u>
EXPENDITURES				
Current:				
General government	\$ 16,829,384	\$ 17,611,584	\$ 17,608,831	\$ 2,753
Deficiency of revenues under expenditures	<u>\$ (2,190,000)</u>	<u>\$ (2,190,000)</u>	<u>\$ (2,190,000)</u>	<u>\$ 0</u>
OTHER FINANCING SOURCES				
Transfers from constitutional officers	\$ 2,190,000	\$ 2,190,000	\$ 2,190,000	\$ 0
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 CLERK OF THE CIRCUIT COURT
 RECORDS MODERNIZATION TRUST
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 300,000	\$ 300,000	\$ 386,493	\$ 86,493
Miscellaneous revenues	0	0	35	35
Total revenues	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 386,528</u>	<u>\$ 86,528</u>
EXPENDITURES				
General government	<u>\$ 300,000</u>	<u>\$ 299,700</u>	<u>\$ 299,671</u>	<u>\$ 29</u>
Net change in fund balances	\$ 0	\$ 300	\$ 86,857	\$ 86,557
Fund balances - beginning	<u>492,755</u>	<u>492,755</u>	<u>492,755</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 492,755</u></u>	<u><u>\$ 493,055</u></u>	<u><u>\$ 579,612</u></u>	<u><u>\$ 86,557</u></u>

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
10% FINE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 425,000	\$ 248,442	\$ 248,362	\$ (80)
Miscellaneous revenues	0	0	59	59
Total revenues	<u>\$ 425,000</u>	<u>\$ 248,442</u>	<u>\$ 248,421</u>	<u>\$ (21)</u>
EXPENDITURES				
General government	\$ 425,000	\$ 268,900	\$ 268,879	\$ 21
Net change in fund balances	\$ 0	\$ (20,458)	\$ (20,458)	\$ 0
Fund balances - beginning	20,458	20,458	20,458	0
Fund balances - ending	<u>\$ 20,458</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 CLERK OF THE CIRCUIT COURT
 COURT RELATED TECHNOLOGY
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 940,000	\$ 940,000	\$ 1,125,978	\$ 185,978
Miscellaneous revenues	0	0	115	115
Total revenues	<u>\$ 940,000</u>	<u>\$ 940,000</u>	<u>\$ 1,126,093</u>	<u>\$ 186,093</u>
EXPENDITURES				
General government	<u>\$ 940,000</u>	<u>\$ 873,200</u>	<u>\$ 873,026</u>	<u>\$ 174</u>
Net change in fund balances	\$ 0	\$ 66,800	\$ 253,067	\$ 186,267
Fund balances - beginning	<u>366,581</u>	<u>366,581</u>	<u>366,581</u>	<u>0</u>
Fund balances - ending	<u><u>\$ 366,581</u></u>	<u><u>\$ 433,381</u></u>	<u><u>\$ 619,648</u></u>	<u><u>\$ 186,267</u></u>

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2017

	<i>Agency Funds</i>
ASSETS	
Cash and equivalents	\$ 13,732,159
Investments in SBA	52,406
Other receivables	405,388
Total assets	<u>\$ 14,189,953</u>
LIABILITIES	
Due to individuals and others	\$ 1,038,907
Due to other governmental units	2,886,679
Escrow and refundable deposits	10,264,367
Total liabilities	<u>\$ 14,189,953</u>

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

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

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

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

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

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

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

Spendable Fund Balance:

- **Restricted Fund Balance** – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. As of September 30, 2017, the Clerk has a restricted fund balance of \$1,199,260 to be used for other purposes.
- **Committed Fund Balance** – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Clerk. Commitments may be changed or lifted only by the Clerk taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- **Assigned Fund Balance** – Included spendable fund balance amounts established by the Clerk that are intended to be used for specific purposes and are neither considered restricted or committed.
- **Unassigned Fund Balance** – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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

The Clerk utilizes the following major funds:

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

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

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

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

The Clerk also reports the following fund types:

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

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

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
 NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2017

C. Budget

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

D. Capital Assets

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

E. Prepaid Items

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

F. Investments

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

G. Accrued Compensated Absences

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

H. Use of Estimates

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

2. Cash and Investments

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

The total cash amount for the Clerk was \$16,073,648, and deposits with financial institutions were \$17,735,701. The bank balance is categorized as follows:

- Amount insured by the FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes.	\$17,735,701
- Petty Cash Fund	\$12,925

On September 30, 2017, the Clerk had \$52,406 invested in State Board of Administration's Florida Prime.

3. Leases

The Clerk is obligated under noncancelable operating leases for office equipment through September 2020. Total cost for the year ended September 30, 2017, was \$92,892.

The future minimum lease payment is as follows:

Year Ended	<u>Amount</u>
<u>September 30</u>	
2018	\$100,283
2019	100,284
2020	<u>59,192</u>
Total minimum lease payable	<u>\$259,759</u>

4. Risk Management

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

BREVARD COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

5. Deferred Compensation

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

6. Retirement

Refer to Note 25 in the County-wide Financial Statements.

7. Other Postemployment Benefits

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

8. Subsequent Event

The Brevard County Clerk of the Circuit Court has evaluated subsequent events through March 27, 2018, the date which the financial statements were available for issuance.

BREVARD COUNTY
CLERK OF THE CIRCUIT COURT

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



MANAGEMENT LETTER



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

SEPTEMBER 30, 2017

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

To the Honorable Scott Ellis
Brevard County Clerk of Courts
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Brevard County Clerk of Circuit Court, Florida (the "Clerk"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements and have issued our report thereon dated March 27, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

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MANAGEMENT LETTER

Honorable Scott Ellis
Brevard County Clerk of Courts
Brevard County, Florida

Report on the Financial Statements

We have audited the financial statements of the Brevard County Clerk of Circuit Court (the "Clerk"), Florida, as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated March 27, 2018.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 27, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

March 27, 2018
Melbourne, Florida

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

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

We have examined the Brevard County Clerk of the Circuit Court's compliance with Section 218.415, 28.35 and 28.36, Florida Statutes, regarding the investment of public funds and court performance standards and budgets during the year ended September 30, 2017. Management is responsible for the Brevard County Clerk of the Circuit Court's compliance with those requirements. Our responsibility is to express an opinion on the Brevard County Clerk of the Circuit Court's compliance based on our examination.

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

In our opinion, Brevard County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY TAX COLLECTOR
 ANNUAL FINANCIAL REPORT
 SEPTEMBER 30, 2017
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INDEPENDENT AUDITOR'S REPORT

To The Honorable Lisa Cullen
Brevard County Tax Collector
Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Tax Collector of Brevard County, Florida (the "Tax Collector"), as of and for the year ended September 30, 2017, which collectively comprise the Tax Collector's special-purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Emphasis of Matter

As discussed in Note 1-B, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the *Rules of the Auditor General*, State of Florida, and present only the financial position of the Tax Collector at September 30, 2017, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2017, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the Tax Collector as of September 30, 2017 and the respective changes in financial position, and, where applicable, respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2018, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY
TAX COLLECTOR
FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2017



BREVARD COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	<i>General</i>
ASSETS	
Cash	\$ 4,888,389
Accounts receivable	301
Due from other governmental units	9,147
Total assets	\$ 4,897,837
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Vouchers and contracts payable	\$ 76,218
Accrued wages and benefits payable	134,339
Due to constitutional officers	4,614,825
Due to other governmental units	72,455
Total liabilities	\$ 4,897,837
Fund balance	\$ 0
Total liabilities and fund balance	\$ 4,897,837

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

BREVARD COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>General</i>
REVENUES	
Charges for services	\$ 16,728,364
Miscellaneous revenues	145,677
Total revenues	\$ 16,874,041
EXPENDITURES	
General government	\$ 12,235,448
Excess of revenues over expenditures	\$ 4,638,593
OTHER FINANCING USES	
Transfers to constitutional officers and other governmental units	\$ (4,638,593)
Net change in fund balance	\$ 0
Fund balance- beginning	0
Fund balance - ending	\$ 0

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

BREVARD COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 16,589,905	\$ 16,731,905	\$ 16,728,364	\$ (3,541)
Miscellaneous revenues	87,500	146,500	145,677	(823)
Total revenues	<u>\$ 16,677,405</u>	<u>\$ 16,878,405</u>	<u>\$ 16,874,041</u>	<u>\$ (4,364)</u>
EXPENDITURES				
General government	\$ 12,703,113	\$ 12,881,804	\$ 12,235,448	\$ 646,356
Excess of revenues over expenditures	<u>\$ 3,974,292</u>	<u>\$ 3,996,601</u>	<u>\$ 4,638,593</u>	<u>\$ 641,992</u>
OTHER FINANCING USES				
Transfers to constitutional officers and other governmental units	<u>\$ (3,974,292)</u>	<u>\$ (3,996,601)</u>	<u>\$ (4,638,593)</u>	<u>\$ (641,992)</u>
Net change in fund balance	\$ 0	\$ 0	\$ 0	\$ 0
Fund balance - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance - ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

BREVARD COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2017

	<u>Agency Funds</u>
ASSETS	
Cash and equivalents	\$ 10,603,715
Other receivables	744,227
Due from other governmental units	4,934
Total assets	<u>\$ 11,352,876</u>
LIABILITIES	
Due to individuals and others	\$ 537,662
Due to other governmental units	2,658,772
Prepaid taxes	8,156,442
Total liabilities	<u>\$ 11,352,876</u>

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

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

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

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

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

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

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

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

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

Spendable Fund Balance:

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

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

The Tax Collector utilizes the following major fund:

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

The Tax Collector also reports the following fund type:

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

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

C. **Budget**

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

D. **Capital Assets**

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

E. **Investments**

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

BREVARD COUNTY TAX COLLECTOR
 NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2017

F. Accrued Compensated Absences

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

G. Use of Estimates

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

2. Cash and Investments

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

The total cash amount for the Tax Collector was \$15,492,104. The deposits, with financial institutions, were \$8,930,216. 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.	\$8,930,216
---	-------------

Included in the total cash amount are Petty Cash/Change Funds of \$26,000 and a money market account of \$326,733, which represents both book and market value.

On September 30, 2017, the Tax Collector had invested in the following Local Government Investment Pools:

Florida Cooperative Liquid Assets Securities System (FLCLASS)	\$6,150,778
State Board of Administration Florida Prime	\$ 7

3. Leases

The Tax Collector is obligated under two noncancelable operating leases for office equipment through June 2019. Total cost for the year ended September 30, 2017, was \$48,576.

The future minimum lease payment is as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2018	\$48,225
2019	<u>28,710</u>
Total minimum lease payable	<u>\$76,935</u>

The Tax Collector leases two office facilities under noncancelable operating leases. Total costs for the leases were \$270,597 for the year ended September 30, 2017. The future minimum lease payments are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2018	\$ 238,758
2019	242,014
2020	247,595
2021	253,393
2022	175,207
2023	<u>118,347</u>
Total minimum lease payable	<u>\$1,275,314</u>

BREVARD COUNTY TAX COLLECTOR
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

4. Risk Management

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

5. Deferred Compensation

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

6. Retirement

Refer to Note 25 in the County-wide Financial Statements.

7. Other Postemployment Benefits

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

8. Subsequent Event

The Brevard County Tax Collector has evaluated subsequent events through March 27, 2018, the date which the financial statements were issued.



BREVARD COUNTY
TAX COLLECTOR

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



MANAGEMENT LETTER



INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

SEPTEMBER 30, 2017

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

To The Honorable Lisa Cullen
Brevard County Tax Collector
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Tax Collector of Brevard County, Florida (the "Tax Collector"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Tax Collector's special-purpose financial statements and have issued our report thereon dated March 27, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

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MANAGEMENT LETTER

The Honorable Lisa Cullen
Brevard County Tax Collector
Brevard County, Florida

Report on the Financial Statements

We have audited the special-purpose financial statements of the Brevard County Tax Collector (the "Tax Collector"), as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated March 27, 2018.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

March 27, 2018
Melbourne, Florida

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CPAs and Associates, LLP

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INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

Honorable Lisa Cullen
Brevard County Tax Collector
Brevard County, Florida

We have examined Brevard County Tax Collector's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2017. Management is responsible for Brevard County Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on Brevard County Tax Collector's compliance based on our examination.

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

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

In our opinion, Brevard County Tax Collector's complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY PROPERTY APPRAISER

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Dana Blickley
Brevard County Property Appraiser
Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Property Appraiser of Brevard County, Florida (the "Property Appraiser"), as of and for the year ended September 30, 2017, which collectively comprise the Property Appraiser's special-purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Emphasis of Matter

As discussed in Note 1-B, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the *Rules of the Auditor General, State of Florida*, and present only the financial position of the Property Appraiser at September 30, 2017, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2017, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the Property Appraiser as of September 30, 2017 and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2018, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

**BREVARD COUNTY
PROPERTY APPRAISER**

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2017



BREVARD COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	<i>General</i>
ASSETS	
Cash	\$ 1,346,344
Prepaid expenses	67,186
Total assets	\$ 1,413,530
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 320,470
Due to constitutional officers	842,323
Due to other governmental units	17,556
Unearned revenue	233,181
Total liabilities	\$ 1,413,530
Fund balance	\$ 0
Total liabilities and fund balance	\$ 1,413,530

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

BREVARD COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<i>General</i>
REVENUES	
Charges for services	\$ 529,713
EXPENDITURES	
General government	\$ 8,310,969
Deficiency of revenues under expenditures	\$ (7,781,256)
OTHER FINANCING SOURCES AND (USES)	
Transfers from constitutional officers and other governmental units	\$ 8,641,135
Transfers to constitutional officers and other governmental units	(859,879)
Total other financing sources and (uses)	\$ 7,781,256
Net change in fund balance	\$ 0
Fund balance - beginning	0
Fund balance - ending	\$ 0

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

BREVARD COUNTY PROPERTY APPRAISER
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 180,810	\$ 180,100	\$ 529,713	\$ 349,613
EXPENDITURES				
General government	\$ 8,785,260	\$ 8,821,235	\$ 8,310,969	\$ 510,266
Deficiency of revenues under expenditures	\$ (8,604,450)	\$ (8,641,135)	\$ (7,781,256)	\$ 859,879
OTHER FINANCING SOURCES AND (USES)				
Transfers from constitutional officers and other governmental units	\$ 8,604,450	\$ 8,641,135	\$ 8,641,135	\$ 0
Transfers to constitutional officers and other governmental units	0	0	(859,879)	(859,879)
Total other financing sources and (uses)	\$ 8,604,450	\$ 8,641,135	\$ 7,781,256	\$ (859,879)
Net change in fund balance	\$ 0	\$ 0	\$ 0	\$ 0
Fund balance - beginning	0	0	0	0
Fund balance - ending	\$ 0	\$ 0	\$ 0	\$ 0

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

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

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.

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

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Brevard County Property Appraiser is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

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

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

Spendable Fund Balance:

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

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

The Property Appraiser utilizes the following fund type:

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

C. Budget

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

D. Capital Assets

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

E. Prepaid Items

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

F. Investments

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

G. Accrued Compensated Absences

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

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

H. Unearned Revenue

Unearned revenues are reported in the fund financial statements when resources are received by the Brevard County Property Appraiser before it has incurred qualifying expenditures. In subsequent periods when the qualified expenditures occur, the liability for unearned revenue is removed and revenue is recognized. Unearned revenues consist of indirect revenues received for qualified expenditures that occurred after year end, totaling \$233,181.

I. Use of Estimates

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

2. Comparison of Expenditures to Appropriations

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

The Property Appraiser derives additional expenses and reimbursements from map and data sales to the public and from administering non-ad valorem assessment programs on behalf of eligible taxing authorities under Section 197.3632(2), Florida Statutes. During the fiscal year, the actual recognized revenue for said services totaled \$349,613 and is included in charges for services.

3. Cash and Investments

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

The total cash amount for the Property Appraiser was \$1,346,344, and deposits with financial institutions were \$1,348,848. 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.	\$1,348,848
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4. Commitments

The Property Appraiser's office contracts for aerial pictography that is used in the assessment of various property values as well as other purposes within the County. The current vendor contract was initiated in fiscal year 2014 for a six year period, with the first scheduled flight and payment in fiscal year 2015. These outstanding services are valued at approximately \$562,177 for the contract period.

The Property Appraiser's office contracts for the maintenance of its licensed Computer Assisted Mass Appraisal (CAMA) system with the software licensor. The current vendor contract was initiated in fiscal year 2013, and amended in fiscal year 2015 and fiscal year 2016. As amended, payments under the maintenance agreement initiated in the current year and extend through fiscal year 2018, with Property Appraiser options to extend the agreement for five additional one-year terms. Under the base contract period, \$157,009 is remaining to be paid.

5. Leases

The Property Appraiser is obligated under operating lease agreements for office equipment through fiscal year 2020 and for vehicles through fiscal year 2019. Copiers are leased under a single consolidated lease for a five year term that began in June 2015. The postage equipment lease was effective October 1, 2015 for a five year period. Vehicle operating lease agreements were initiated effective March 7, 2016 and November 1, 2016, with 36-month terms. Total cost for the lease agreements was \$72,957 for the year ended September 30, 2017.

BREVARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

The future minimum lease payment is as follows:

Year Ended	<u>Amount</u>
<u>September 30</u>	
2018	\$ 73,595
2019	63,712
2020	<u>21,809</u>
Total minimum lease payable	<u>\$159,116</u>

6. Risk Management

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

7. Deferred Compensation

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

8. Retirement

Refer to Note 25 in the County-wide Financial Statements.

9. Subsequent Events

The Property Appraiser has evaluated subsequent events through March 27, 2018, the date which the financial statements were available for issuance. On January 8, 2018, the office initiated a new 36-month lease for 5 vehicles for a 36-month term. No additional material events occurred that would require additional disclosure in the financial statements.

BREVARD COUNTY
PROPERTY APPRAISER

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



MANAGEMENT LETTER



INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

SEPTEMBER 30, 2017

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

To the Honorable Dana Blickley
Brevard County Property Appraiser
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Property Appraiser of Brevard County, Florida (the "Property Appraiser"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements and have issued our report thereon dated March 27, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

MANAGEMENT LETTER

The Honorable Dana Blickley
Brevard County Property Appraiser
Brevard County, Florida

Report on the Financial Statements

We have audited the special-purpose financial statements of the Property Appraiser of Brevard County, Florida (the "Property Appraiser"), as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated March 27, 2018.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

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INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

To the Honorable Dana Blickley
Brevard County Property Appraiser
Brevard County, Florida

We have examined the Brevard County Property Appraiser's compliance with Section 218.415, Florida Statutes (Local government investment policies), regarding the investment of public funds during the year ended September 30, 2017. Management is responsible for the Brevard County Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Brevard County Property Appraiser's compliance based on our examination.

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

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

In our opinion, the Brevard County Property Appraiser's complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY SUPERVISOR OF ELECTIONS

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2017

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INDEPENDENT AUDITOR'S REPORT

The Honorable Lori Scott
Brevard County Supervisor of Elections
Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying special-purpose financial statements of the Brevard County, Florida, Supervisor of Elections (the "Supervisor") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Supervisor's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

As described in Note 1-B, the special-purpose financial statements referred to above have been prepared for the purpose of complying with, and on the basis of accounting practices specified by, the *Rules of the Auditor General, State of Florida*, and present only the financial position of the Supervisor at September 30, 2017, and the changes in financial position for the year then ended. They do not purport to, and do not, present fairly the financial position of Brevard County, Florida, as of September 30, 2017, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the Supervisor as of September 30, 2017, and the respective changes in financial position and respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2018, on our consideration of the Supervisor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor's internal control over financial reporting and compliance.

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BREVARD COUNTY
SUPERVISOR OF ELECTIONS

FUND FINANCIAL STATEMENTS

SEPTEMBER 30, 2017



BREVARD COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	<u>General</u>
ASSETS	
Cash	\$ 534,711
Accounts receivable	16,891
Prepaid expenses	<u>376,649</u>
Total assets	<u><u>\$ 928,251</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Vouchers and contracts payable	\$ 354,727
Other current liabilities	2,619
Unearned revenue	<u>97,831</u>
Total liabilities	<u>\$ 455,177</u>
Fund balance:	
Non-spendable:	
Prepaid items	\$ 376,649
Assigned:	
Other purposes	<u>96,425</u>
Total fund balances	<u>\$ 473,074</u>
Total liabilities and fund balances	<u><u>\$ 928,251</u></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, 2017

	<i>General</i>
REVENUES	
Intergovernmental revenues	\$ 63,547
Charges for services	24,532
Miscellaneous revenues	4,495
Total revenues	\$ 92,574
EXPENDITURES	
Current:	
General government	\$ 4,946,203
Debt service:	
Principal	44,688
Interest	2,401
Total expenditures	\$ 4,993,292
Deficiency of revenues under expenditures	\$ (4,900,718)
OTHER FINANCING SOURCES	
Transfers from constitutional officers	\$ 4,737,780
Net change in fund balance	\$ (162,938)
Fund balance - beginning	447,106
Increase in non-spendable	188,906
Fund balance - ending	\$ 473,074

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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<i>Variance with final budget - Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 76,926	\$ 66,892	\$ 63,547	\$ (3,345)
Charges for services	10,737	10,737	24,532	13,795
Miscellaneous revenues	527	527	4,495	3,968
Total revenues	<u>\$ 88,190</u>	<u>\$ 78,156</u>	<u>\$ 92,574</u>	<u>\$ 14,418</u>
EXPENDITURES				
Current:				
General government	\$ 5,142,624	\$ 5,401,987	\$ 4,946,203	\$ 455,784
Debt service:				
Principal	44,688	44,688	44,688	0
Interest	2,401	2,401	2,401	0
Total expenditures	<u>\$ 5,189,713</u>	<u>\$ 5,449,076</u>	<u>\$ 4,993,292</u>	<u>\$ 455,784</u>
Deficiency of revenues under expenditures	<u>\$ (5,101,523)</u>	<u>\$ (5,370,920)</u>	<u>\$ (4,900,718)</u>	<u>\$ 470,202</u>
OTHER FINANCING SOURCES				
Transfers from constitutional officers	<u>\$ 5,105,934</u>	<u>\$ 5,115,466</u>	<u>\$ 4,737,780</u>	<u>\$ (377,686)</u>
Net change in fund balance	\$ 4,411	\$ (255,454)	\$ (162,938)	\$ 92,516
Fund balance - beginning	447,106	447,106	447,106	0
Increase in non-spendable	0	0	188,906	188,906
Fund balance - ending	<u><u>\$ 451,517</u></u>	<u><u>\$ 191,652</u></u>	<u><u>\$ 473,074</u></u>	<u><u>\$ 281,422</u></u>

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

BREVARD COUNTY SUPERVISOR OF ELECTIONS
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

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

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

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

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

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

Non-spendable Fund Balance – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally items such as long-term amounts of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact. As of September 30, 2017 the Supervisor of Elections has \$376,649 of a non-spendable fund balance which represents prepaid items.

BREVARD COUNTY SUPERVISOR OF ELECTIONS
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

Spendable Fund Balance:

- Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Supervisor of Elections. Commitments may be changed or lifted only by the Supervisor of Elections taking the same formal action (ordinance/resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and non-recurring.
- Assigned Fund Balance – Included spendable fund balance amounts established by the Supervisor of Elections that are intended to be used for specific purposes and are neither considered restricted or committed. As of September 30, 2017, the Supervisor of Elections has an assigned fund balance of \$96,425 to be used for other purposes.
- Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes with the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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

The Supervisor of Elections utilizes the following fund type:

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

C. Budget

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

D. Capital Assets

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

E. Prepaid Items

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

F. Investments

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

G. Accrued Compensated Absences

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

H. Use of Estimates

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

BREVARD COUNTY SUPERVISOR OF ELECTIONS
 NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2017

2. Cash and Investments

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

Cash in the amount of \$534,711 represents the allocated amount of the pooled cash of the Brevard County Board of County Commissioners in the amount of \$532,092 and a Supervisor of Elections' Candidate Qualifying account in the amount of \$2,619.

Amount insured by the FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes.	\$534,624
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3. Leases

The Supervisor of Elections leased office space from the Brevard County Board of County Commissioners. The amount of rent that was charged was determined by a Cost Allocation Plan (CAP) developed by a consultant for the Brevard County Budget Office for fiscal year 2017. The CAP distributed costs for Facilities building services and building maintenance based on fiscal year 2015 actual results. The total cost for the year ended September 30, 2017 was \$12,130.

The Supervisor of Elections leases office equipment under noncancelable operating leases and cancelable operating leases. Total payments for the noncancelable operating leases and cancelable operating leases were \$7,154 and \$9,477, respectively, for the year ended September 30, 2017. The future minimum lease payments for noncancelable operating leases are as follows:

<u>September 30</u>	<u>Amount</u>
2018	\$ 17,279
2019	9,864
2020	9,864
2021	<u>4,932</u>
Total minimum lease payable	<u>\$ 41,939</u>

4. Risk Management

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

5. Deferred Compensation

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

6. Retirement

Refer to Note 25 in the County-wide Financial Statements.

7. Other Postemployment Benefits

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

8. Subsequent Event

The Brevard County Supervisor of Elections has evaluated subsequent events through March 27, 2018, the date which the financial statements were available for issuance.



BREVARD COUNTY
SUPERVISOR OF ELECTIONS

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



MANAGEMENT LETTER



INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

SEPTEMBER 30, 2017

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

The Honorable Lori Scott
Brevard County Supervisor of Elections
Brevard County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Brevard County Supervisor of Elections (the "Supervisor"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Supervisor's basic financial statements, and have issued our report thereon dated March 27, 2018.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

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MANAGEMENT LETTER

The Honorable Lori Scott
Brevard County Supervisor of Elections
Brevard County, Florida

Report on the Financial Statements

We have audited the special-purpose financial statements of the Supervisor of Elections of Brevard County, Florida (the "Supervisor"), as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated March 27, 2018.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

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

We have examined the Brevard County Supervisor of Election's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2017. Management is responsible for the Brevard County Supervisor of Election's compliance with those requirements. Our responsibility is to express an opinion on the Brevard County Supervisor of Election's compliance based on our examination.

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

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

In our opinion, the Brevard County Supervisor of Election's complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

March 27, 2018
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP