

Meeting Date
July 26, 2016



| AGENDA | |
|----------|---------|
| Section | Consent |
| Item No. | II.D.5 |

AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

| | |
|---------------------|--|
| SUBJECT: | Brevard County Annual Financial Audits Report for the fiscal year ended September 30, 2015 |
| DEPT/OFFICE: | County Finance Department |

Requested Action:

Request that the Board acknowledge the Brevard County Annual Financial Audits for the fiscal year ended September 30, 2015 and the accompanying management letters.

Summary Explanation & 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 July 12, 2016. 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 29, 2016 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

| | | | | | | | |
|---|--|--------------------------|--------------------------|----|--------------------------|---------------------------------|--------------------------|
| Contract /Agreement (If attached): Reviewed by County Attorney | | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | PR | <input type="checkbox"/> |
| County Manager | | Assistant County Manager | | | | Department Director / Extension | |
| Stockton Whitten | | | | | | Steve Burdett | |
| | | | | | | County Finance, 637-2002 | |
| | | | | | | <i>Steve Burdett</i> | |

BCC-149 (Rev. 1-25-13) / Electronic Form

Clerk to the Board instruction:

Exhibits Attached:
 Annual Financial Audit Report for the Year-Ended September 30, 2015



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Tammy.Rowe@brevardclerk.us

July 27, 2016

MEMORANDUM

TO: Steve Burdett, Finance Director

RE: Item II.D.5., Brevard County Annual Financial Audits Report for the Fiscal Year Ending September 30, 2015

The Board of Commissioners, in regular session on July 26, 2016, acknowledged the Brevard County Annual Financial Audits Report for the Fiscal Year Ending September 30, 2015, and the accompanying management letters.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

cc: Budget

| |
|---------------|
| Meeting Date |
| July 26, 2016 |



011

| AGENDA | |
|----------|---------|
| Section | Consent |
| Item No. | 11.D.5. |

AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

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| County Manager | Deputy County Manager | Department Director / Extension | | | | Steve Burdett | |
| Stockton Whitten | Assistant County Manager | County Finance, 637-2002 | | | | <i>Steve Burdett</i> | |

BCC-149 (Rev. 1-25-13) / Electronic Form

Clerk to the Board instruction:

Exhibits Attached:

Annual Financial Audit Report for the Year-Ended September 30, 2015

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, 2015

BREVARD COUNTY

BREVARD COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT
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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brevard County, Florida, as of and for the year ended September 30, 2015, 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 93 percent, 93 percent and 100 percent, of the assets, net position, and revenues of the aggregate discretely presented component units of Brevard County, Florida. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the aggregate discretely presented component units is based 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, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof and respective budgetary comparison for the General, Emergency Services, Brevard County Transportation Trust, and Grants Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As described in Note 25 to the financial statements, in 2015, Brevard County implemented GASB Statement No. 68, *Accounting for Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date*, an amendment of GASB Statement No. 68 for reporting Brevard County's pension associated with the active employee members of the Florida Retirement System and Retiree Health Insurance Subsidy Program, and the primary activity associated with the pension arrangements reflective for the year ending September 30, 2015 (Note 23).

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 nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Local 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 nonmajor fund financial statements and schedules, as listed on the table of contents, and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 25, 2016, 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.

May 25, 2016
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, 2015. 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

- The County implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date*, for fiscal year ending 2015. These statements required the County to record its proportionate share of the long-term liability associated with the defined benefit pension plans and related pension amounts, as well as, the related deferred inflows and deferred outflows of resources. Brevard County is a cost sharing member of the Florida Retirement System. The implementation of these new accounting standards resulted in a prior period adjustment to reflect the increase in long-term liabilities and resulted in a reduction to beginning net position of \$184.9 million.
- Brevard County's assets and deferred outflows of resources exceeded its liabilities at September 30, 2015 by \$840.0 million (net position) of which \$85.7 million is negative unrestricted.
- The County's total net position decreased \$157.4 million over the previous year due to implementing GASB Statement No. 68 and GASB Statement No. 71 which recognized a net pension liability of \$161.1 million with \$137.1 million of the decrease resulting from governmental activities and \$20.3 million resulting from business-type activities.
- As of September 30, 2015, Brevard County's governmental fund statements reported a combined ending fund balance of \$204.6 million, a decrease of \$9.6 million from the preceding fiscal year.
- The General Fund reported a fund balance of \$32.0 million, an increase of \$2.8 million from the previous fiscal year.
- Total bonded debt increased \$5.3 million (2.2%) in fiscal year 2015.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning Brevard County's progress in funding its obligation to provide other postemployment benefits to its employees and net pension liability. Required supplementary information can be found on Exhibit A-14 to A-16 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 \$840.0 million at the close of the most recent fiscal year. Brevard County's decrease in net position for this fiscal year amounts to \$157.4 million, which was a result of implementing GASB Statement No. 68 and GASB Statement No. 71 which recorded a net pension liability of \$161.1 million.

Almost all of Brevard County's net position (91.5 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 | | |
|----------------------------------|----------------------------|------------|-----------------------------|----------|------------|------------|----------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | % Change |
| Current and other assets | \$ 302.9 | \$ 305.7 | \$ 142.4 | \$ 114.3 | \$ 445.3 | \$ 420.0 | 6.0 |
| Capital assets | 798.7 | 789.1 | 226.0 | 227.1 | 1,024.7 | 1,016.2 | 0.8 |
| Total assets | \$ 1,101.6 | \$ 1,094.8 | \$ 368.4 | \$ 341.4 | \$ 1,470.0 | \$ 1,436.2 | 2.4 |
| Deferred outflows of resources | \$ 32.6 | \$ 4.4 | \$ 1.6 | \$ 0.0 | \$ 34.2 | \$ 4.4 | 677.3 |
| Long-term liabilities | \$ 449.7 | \$ 313.2 | \$ 100.2 | \$ 53.5 | \$ 549.9 | \$ 366.7 | 50.0 |
| Other liabilities | 64.6 | 68.6 | 7.9 | 7.9 | 72.5 | 76.5 | (5.2) |
| Total liabilities | \$ 514.3 | \$ 381.8 | \$ 108.1 | \$ 61.4 | \$ 622.4 | \$ 443.2 | 40.4 |
| Deferred inflows of resources | \$ 39.6 | \$ 0.0 | \$ 2.2 | \$ 0.0 | \$ 41.8 | \$ 0.0 | N/A |
| Net position | | | | | | | |
| Net investment in capital assets | \$ 567.5 | \$ 556.6 | \$ 201.1 | \$ 210.0 | \$ 768.6 | \$ 766.6 | 0.3 |
| Restricted | 154.4 | 148.7 | 2.7 | 0.2 | 157.1 | 148.9 | 5.5 |
| Unrestricted | (141.6) | 12.1 | 55.9 | 69.8 | (85.7) | 81.9 | (204.6) |
| Total net position | \$ 580.3 | \$ 717.4 | \$ 259.7 | \$ 280.0 | \$ 840.0 | \$ 997.4 | (15.8) |

Note: The fiscal year 2014 numbers were not restated for comparative purposes as a result of implementing GASB Statement No. 68 and GASB Statement No. 71 in fiscal year 2015.

The restricted portion of Brevard County's net position (18.7 percent) represents resources that are subject to external restrictions on how they may be used. The restrictions include acquiring land for preservation, beach restoration, fire/rescue, 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 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 | | |
|---|-------------------------|-----------------|--------------------------|-----------------|-----------------|-----------------|---------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | % Change |
| Revenues | | | | | | | |
| Program revenues: | | | | | | | |
| Charges for services | \$ 121.0 | \$ 103.9 | \$ 76.0 | \$ 72.0 | \$ 197.0 | \$ 175.9 | 12.0 |
| Operating grants and contributions | 31.6 | 34.7 | 7.9 | 7.9 | 39.5 | 42.6 | (7.3) |
| Capital grants and contributions | 11.8 | 11.8 | 5.5 | 6.8 | 17.3 | 18.6 | (7.0) |
| General revenues: | | | | | | | |
| Property taxes | 201.6 | 188.8 | 0.0 | 0.0 | 201.6 | 188.8 | 6.8 |
| Other taxes | 29.9 | 28.2 | 0.0 | 0.0 | 29.9 | 28.2 | 6.0 |
| State shared | 34.3 | 32.0 | 0.0 | 0.0 | 34.3 | 32.0 | 7.2 |
| Interest | 2.3 | 0.8 | 1.0 | 0.4 | 3.3 | 1.2 | 175.0 |
| Other | 9.0 | 12.6 | 1.2 | 0.9 | 10.2 | 13.5 | (24.4) |
| Total revenues | <u>\$ 441.5</u> | <u>\$ 412.8</u> | <u>\$ 91.6</u> | <u>\$ 88.0</u> | <u>\$ 533.1</u> | <u>\$ 500.8</u> | <u>6.4</u> |
| Expenses: | | | | | | | |
| General government | \$ 95.3 | \$ 94.0 | \$ 0.0 | \$ 0.0 | \$ 95.3 | \$ 94.0 | 1.4 |
| Public safety | 166.5 | 174.6 | 0.0 | 0.0 | 166.5 | 174.6 | (4.6) |
| Physical environment | 11.4 | 15.2 | 0.0 | 0.0 | 11.4 | 15.2 | (25.0) |
| Transportation | 31.7 | 31.4 | 0.0 | 0.0 | 31.7 | 31.4 | 1.0 |
| Economic environment | 17.0 | 10.8 | 0.0 | 0.0 | 17.0 | 10.8 | 57.4 |
| Human services | 26.1 | 31.6 | 0.0 | 0.0 | 26.1 | 31.6 | (17.4) |
| Culture and recreation | 46.7 | 45.8 | 0.0 | 0.0 | 46.7 | 45.8 | 2.0 |
| Interest on long-term debt | 9.6 | 10.0 | 0.0 | 0.0 | 9.6 | 10.0 | (4.0) |
| Solid waste | 0.0 | 0.0 | 35.4 | 34.7 | 35.4 | 34.7 | 2.0 |
| Water resources | 0.0 | 0.0 | 28.7 | 27.4 | 28.7 | 27.4 | 4.7 |
| Transit services | 0.0 | 0.0 | 13.3 | 13.9 | 13.3 | 13.9 | (4.3) |
| Golf courses | 0.0 | 0.0 | 3.3 | 3.4 | 3.3 | 3.4 | (2.9) |
| Total expenses | <u>\$ 404.3</u> | <u>\$ 413.4</u> | <u>\$ 80.7</u> | <u>\$ 79.4</u> | <u>\$ 485.0</u> | <u>\$ 492.8</u> | <u>(1.6)</u> |
| Change in net position before transfers | \$ 37.2 | \$ (0.6) | \$ 10.9 | \$ 8.6 | \$ 48.1 | \$ 8.0 | 501.2 |
| Transfers | 0.8 | 1.2 | (0.8) | (1.2) | 0.0 | 0.0 | 0.0 |
| Increase in net position | <u>\$ 38.0</u> | <u>\$ 0.6</u> | <u>\$ 10.1</u> | <u>\$ 7.4</u> | <u>\$ 48.1</u> | <u>\$ 8.0</u> | <u>501.2</u> |
| Net position beginning | \$ 717.4 | \$ 716.8 | \$ 280.0 | \$ 272.6 | \$ 997.4 | \$ 989.4 | 0.8 |
| Cumulative effect of restatement of prior year balances | (175.1) | 0.0 | (30.4) | 0.0 | (205.5) | 0.0 | 100.0 |
| Net position ending | <u>\$ 580.3</u> | <u>\$ 717.4</u> | <u>\$ 259.7</u> | <u>\$ 280.0</u> | <u>\$ 840.0</u> | <u>\$ 997.4</u> | <u>(15.8)</u> |

Note: The fiscal year 2014 numbers were not restated for comparative purposes as a result of implementing GASB Statement No. 68 and GASB Statement No. 71 in fiscal year 2015.

Financial Analysis of Governmental Activities

Overall, spending on governmental activities decreased when compared to fiscal year 2014, primarily due to expenditures related to implementation of a new GASB pension standard. Revenue in fiscal year 2015 included increases in charges for services of \$17.1 million, increases in property taxes of \$12.8 million, as well as, increases in gasoline taxes, tourist taxes and state shared revenues. The increase in charges for services primarily resulted

from revenue received from a developer for a road project, and contracts entered into by the Sheriff's office to manage law enforcement within municipalities. The property tax increase resulted from improved property values. The increases in gasoline taxes, tourist taxes and state shared revenues, which are primarily generated from sales taxes, reflect the County's improved economy. The increase investment earnings resulted from a slight increase in yield, and the improved market valuation of the County's portfolio.

Financial Analysis of Business-type Activities

Business-type activities increased the County's net position by \$10.1 million, compared to \$7.4 million in the previous year. The County's water resources operations experienced the largest increase in net position at \$7.7 million. The County's Space Coast Area Transit operations reported a \$.4 million decrease and solid waste operations reported a \$2.2 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 | Grants |
| Fiscal Year 2015 | | | | |
| Revenues and other sources | \$ 246,805,526 | \$ 60,796,057 | \$ 32,464,304 | \$ 19,949,654 |
| Expenditures and other uses | <u>244,087,755</u> | <u>59,910,167</u> | <u>37,844,449</u> | <u>23,344,402</u> |
| Increase (decrease) in fund balance | <u>\$ 2,717,771</u> | <u>\$ 885,890</u> | <u>\$ (5,380,145)</u> | <u>\$ (3,394,748)</u> |
| Fiscal Year 2014 | | | | |
| Revenues and other sources | \$ 234,441,028 | \$ 59,151,395 | \$ 57,436,514 | \$ 21,213,239 |
| Expenditures and other uses | <u>241,655,278</u> | <u>61,221,033</u> | <u>64,249,925</u> | <u>21,777,644</u> |
| Increase (decrease) in fund balance | <u>\$ (7,214,250)</u> | <u>\$ (2,069,638)</u> | <u>\$ (6,813,411)</u> | <u>\$ (564,405)</u> |

At September 30, 2015, total fund balance in the General Fund was \$32.0 million, of which \$29.0 million was spendable. As a measure of liquidity, the spendable General Fund balance compared to total fund expenditures and other financing uses was at 11.9 percent at fiscal year-end.

Emergency Services received \$60.7 million of dedicated property taxes, fire assessment, ambulance fees and General Fund financial support during fiscal year 2015. The department expended \$58.4 million for fire protection, ambulance, hazardous material mitigation, other emergency services and some capital renovations. The \$22.1 million in fund balance is a slight increase from fiscal year 2014.

The fund balance in the Brevard County Transportation Trust fund decreased by \$5.4 million in fiscal year 2015 as expenditures continued for major road projects. The \$68.0 million restricted fund balance in fiscal year 2015 includes \$34.8 million from the Local Option Fuel Tax Bonds issued in 2007 while the remainder represents impact fees and gas taxes for infrastructure improvements.

The Tourism Development Tax fund balance increased \$3.6 million in fiscal year 2015 to a total of \$24.9 million. The fund balance included \$9.9 million to be used for beach improvement, restoration, and erosion control. The Space Coast Stadium, conventions, and other smaller projects make up the remainder.

The Grants fund receives Federal and State funding for public safety, human assistance, transportation and other public services. The Grants fund reported a net decrease in fund balance of \$3.3 million, increasing the deficit fund balance to \$7.7 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.

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, 2015, total net position amounted to \$257.2 million for enterprise funds as compared to \$277.9 million at September 30, 2014. Net position changed as a result of the impact of GASB Statement No. 68 and Statement No. 71 by \$9.8 million, and by \$20.6 million due to a prior year accounting error in the Solid Waste Management funds.

The Solid Waste Management Department reported an increase in net position of \$2.2 million. The total current assets of \$72.6 million include \$32.3 million restricted for landfill closure. The department disbursed \$7.5 million to acquire, construct or improve capital assets during the fiscal year. Future landfill and facilities expansion will be accommodated with operating resources and capital financing.

The Water Resources Department reported an increase in net position for fiscal year 2015 of \$7.7 million, compared to the \$6.4 million increase in net position in the preceding fiscal year. In fiscal year 2014, the County approved annually increasing user rates through 2019. Effective January 2019, rates will be adjusted by the consumer price index not to exceed 5 percent annually. The scheduled rate adjustments will support the capital bonds issued in fiscal year 2015 to finance capital improvements to the system. The coverage of net available revenue over debt service for the fiscal year was 735 percent. The capital contributions, including impact fees and developer contributions, remained stable with the preceding year at \$3.2 million.

The Barefoot Bay Water & Sewer District reported a net position increase of \$.2 million from the preceding year. The coverage of net available revenue over debt service for the fiscal year was 131 percent which exceeded the bond requirements. In fiscal year 2014, the County approved annually increasing user rates through 2016. Effective January 2017, rates will be adjusted by the consumer price index not to exceed 5 percent annually.

General Fund Budgetary Highlights

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

A comparison of the original to the final operating revenue budget shows an increase of \$4.5 million, primarily as a result of increases in grants and other miscellaneous revenue estimates. Actual expenditures were \$15.4 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, 2015, amounts to \$1 billion (net of accumulated depreciation). This investment in capital assets includes land, easements, buildings and structures, improvements, goodwill, machinery and equipment, and park facilities. Roads, highways, bridges and other infrastructure are also included. Brevard County's investment in capital assets for the current fiscal year increased .8 percent.

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

| | Governmental Activities | | Business-type Activities | | Total | |
|-----------------------------------|----------------------------|-----------------|-----------------------------|-----------------|-------------------|-------------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Land | \$ 251.1 | \$ 249.8 | \$ 37.5 | \$ 37.5 | \$ 288.6 | \$ 287.3 |
| Easements | 0.3 | 0.3 | 0.0 | 0.0 | 0.3 | 0.3 |
| Goodwill | 0.0 | 0.0 | 0.9 | 0.9 | 0.9 | 0.9 |
| Construction in progress | 51.1 | 30.0 | 26.2 | 18.5 | 77.3 | 48.5 |
| Building and structures | 214.2 | 218.0 | 30.3 | 30.9 | 244.5 | 248.9 |
| Infrastructure | 158.0 | 162.4 | 8.6 | 16.3 | 166.6 | 178.7 |
| Improvements to land | 45.6 | 48.4 | 1.9 | 3.9 | 47.5 | 52.3 |
| Improvements other than buildings | 19.0 | 20.3 | 99.0 | 97.9 | 118.0 | 118.2 |
| Machinery and equipment | 59.4 | 59.9 | 21.6 | 21.2 | 81.0 | 81.1 |
| | <u>\$ 798.7</u> | <u>\$ 789.1</u> | <u>\$ 226.0</u> | <u>\$ 227.1</u> | <u>\$ 1,024.7</u> | <u>\$ 1,016.2</u> |

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

Long-term debt. At the end of the current fiscal year, Brevard County had total bonded debt outstanding of \$247.7 million, which is a 2.2 percent increase from fiscal year 2014. Of this amount, \$93.5 million comprises debt backed by voter approved property taxes and \$154.2 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 | |
|------------------------------|----------------------------|-----------------|-----------------------------|----------------|-----------------|-----------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Limited Ad Valorem Tax Bonds | \$ 93.5 | \$ 103.1 | \$ 0.0 | \$ 0.0 | \$ 93.5 | \$ 103.1 |
| Revenue bonds | 114.3 | 123.0 | 39.9 | 16.3 | 154.2 | 139.3 |
| | <u>\$ 207.8</u> | <u>\$ 226.1</u> | <u>\$ 39.9</u> | <u>\$ 16.3</u> | <u>\$ 247.7</u> | <u>\$ 242.4</u> |

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

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Brevard County is currently 5.1 percent, which was a decrease from a rate of 6.9 percent a year ago. The state and national average unemployment rates are 4.8 percent.
- Total property valuation increased from \$49.7 billion to \$53.4 billion. Taxable property valuation increased from \$28.0 billion to \$29.7 billion. The valuation of Save Our Homes exemptions is \$4.9 billion, up from \$3.3 billion in 2014.

Brevard County experienced a slight increase in general revenues over the preceding year. Millages levied on increased property valuations were reduced while revenues from sales taxes increased. The number of building permits issued during 2015 was 15,601, a 13.6 percent increase over the prior year.

All of these factors were considered in preparing Brevard County's budget for the 2016 fiscal year.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

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BREVARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

| | <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 | \$ 257,669,961 | \$ 77,662,693 | \$ 335,332,654 | \$ 11,769,904 |
| Cash with escrow and paying agents | 1,125,191 | 0 | 1,125,191 | 0 |
| Investments | 0 | 0 | 0 | 785,577 |
| Receivables (net of allowance for uncollectibles) | 12,960,107 | 1,035,076 | 13,995,183 | 974,612 |
| Taxes receivable | 411,973 | 0 | 411,973 | 0 |
| Assessments receivable | 80,057 | 0 | 80,057 | 0 |
| Accrued interest receivable | 435,419 | 1,463 | 436,882 | 0 |
| Internal balances | (3,040,499) | 3,040,499 | 0 | 0 |
| Due from other governmental units | 24,958,935 | 5,813,628 | 30,772,563 | 1,526,579 |
| Inventory of supplies | 5,277,537 | 1,044,799 | 6,322,336 | 0 |
| Prepaid items | 2,372,475 | 1,051,210 | 3,423,685 | 9,275 |
| Restricted assets: | | | | |
| Cash and cash equivalents | 0 | 52,681,486 | 52,681,486 | 0 |
| Capital assets, not being depreciated: | | | | |
| Land | 251,071,135 | 37,506,941 | 288,578,076 | 14,493,599 |
| Easements | 282,305 | 4,260 | 286,565 | 0 |
| Goodwill | 0 | 940,130 | 940,130 | 0 |
| Construction in progress | 51,128,239 | 26,188,580 | 77,316,819 | 5,864,608 |
| Capital assets, net of accumulated depreciation: | | | | |
| Buildings and structures | 214,177,911 | 30,335,377 | 244,513,288 | 16,497,433 |
| Infrastructure | 158,010,714 | 8,600,083 | 166,610,797 | 0 |
| Improvements to land | 45,654,827 | 1,853,813 | 47,508,640 | 1,232,116 |
| Improvements other than buildings | 18,986,101 | 98,990,144 | 117,976,245 | 19,005,439 |
| Machinery and equipment | 59,361,098 | 21,612,069 | 80,973,167 | 1,022,391 |
| Advances to component units | 209,958 | 0 | 209,958 | 0 |
| Unamortized bond insurance | 476,924 | 61,378 | 538,302 | 0 |
| Total assets | <u>\$ 1,101,610,368</u> | <u>\$ 368,423,629</u> | <u>\$ 1,470,033,997</u> | <u>\$ 73,181,533</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred charge on refunding | \$ 3,568,470 | \$ 8,818 | \$ 3,577,288 | \$ 0 |
| Deferred charges for pensions | 28,972,487 | 1,618,249 | 30,590,736 | 288,941 |
| Total deferred outflows of resources | <u>\$ 32,540,957</u> | <u>\$ 1,627,067</u> | <u>\$ 34,168,024</u> | <u>\$ 288,941</u> |

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

| | Primary Government | | | Component Units |
|---|----------------------------|-----------------------------|----------------|--------------------|
| | Governmental Activities | Business-type Activities | Total | |
| LIABILITIES | | | | |
| Vouchers and contracts payable | \$ 16,269,938 | \$ 4,658,561 | \$ 20,928,499 | \$ 1,221,399 |
| Accrued wages and benefits payable | 9,412,844 | 0 | 9,412,844 | 0 |
| Accrued interest payable | 1,851,397 | 414,699 | 2,266,096 | 0 |
| Due to other funds | 1,441 | 0 | 1,441 | 0 |
| Due to other governmental units | 1,422,706 | 54,516 | 1,477,222 | 0 |
| Unearned revenue | 4,661,691 | 0 | 4,661,691 | 36,378 |
| Customer deposits | 0 | 872,474 | 872,474 | 223,328 |
| Due within one year: | | | | |
| Claims payable | 8,629,025 | 0 | 8,629,025 | 0 |
| Compensated absences | 3,206,282 | 207,108 | 3,413,390 | 110,129 |
| Intergovernmental payable | 86,641 | 0 | 86,641 | 0 |
| Leases payable | 229,586 | 0 | 229,586 | 0 |
| Notes payable | 0 | 0 | 0 | 112,418 |
| Bonds payable | 18,836,632 | 1,705,271 | 20,541,903 | 0 |
| Due in more than one year: | | | | |
| Claims payable | 9,501,707 | 0 | 9,501,707 | 0 |
| Landfill closure and postclosure care | 0 | 47,374,552 | 47,374,552 | 0 |
| Compensated absences | 24,742,938 | 1,530,644 | 26,273,582 | 0 |
| Intergovernmental payable | 86,641 | 0 | 86,641 | 50,000 |
| Other postemployment benefits | 20,986,418 | 2,359,293 | 23,345,711 | 124,643 |
| Net pension liability | 152,625,288 | 8,524,842 | 161,150,130 | 682,776 |
| Advances from primary government | 0 | 0 | 0 | 209,958 |
| Leases payable | 44,688 | 0 | 44,688 | 0 |
| Notes payable | 23,642,000 | 828,000 | 24,470,000 | 1,851,446 |
| Bonds payable (net of unamortized premium and discount) | 218,021,648 | 39,588,634 | 257,610,282 | 0 |
| Total liabilities | \$ 514,259,511 | \$ 108,118,594 | \$ 622,378,105 | \$ 4,622,475 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred charges for pensions | \$ 39,610,596 | \$ 2,212,439 | \$ 41,823,035 | \$ 110,931 |
| NET POSITION | | | | |
| Net investment in capital assets | \$ 567,455,962 | \$ 201,161,975 | \$ 768,617,937 | \$ 56,151,722 |
| Restricted for: | | | | |
| Debt service | 6,025,617 | 1,022,917 | 7,048,534 | 0 |
| Renewal and replacement | 0 | 1,673,723 | 1,673,723 | 0 |
| General government | 7,065,009 | 0 | 7,065,009 | 0 |
| Education | 6,096,058 | 0 | 6,096,058 | 0 |
| Public safety | 23,965,103 | 0 | 23,965,103 | 0 |
| Physical environment | 13,363,523 | 0 | 13,363,523 | 0 |
| Transportation | 52,337,165 | 0 | 52,337,165 | 0 |
| Economic environment | 27,563,647 | 0 | 27,563,647 | 0 |
| Human services | 3,775,276 | 0 | 3,775,276 | 0 |
| Culture and recreation | 14,204,104 | 0 | 14,204,104 | 0 |
| Unrestricted | (141,570,246) | 55,861,048 | (85,709,198) | 12,585,346 |
| Total net position | \$ 580,281,218 | \$ 259,719,663 | \$ 840,000,881 | \$ 68,737,068 |

BREVARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| Functions/Programs | Expenses | Program Revenues | | |
|---|------------------------------|------------------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ 95,252,357 | \$ 38,935,422 | \$ 9,154,428 | \$ 275,731 |
| Public safety | 166,524,693 | 51,635,193 | 5,964,339 | 141,368 |
| Physical environment | 11,447,052 | 6,022,906 | 213,348 | 2,814,887 |
| Transportation | 31,675,001 | 13,374,494 | 9,242,211 | 8,559,253 |
| Economic environment | 16,961,487 | 0 | 3,757,807 | 0 |
| Human services | 26,149,155 | 5,943,033 | 2,281,689 | 0 |
| Culture and recreation | 46,732,197 | 5,085,548 | 1,005,531 | 17,088 |
| Interest on long-term debt | 9,642,497 | 0 | 0 | 0 |
| Total governmental activities | <u>\$ 404,384,439</u> | <u>\$ 120,996,596</u> | <u>\$ 31,619,353</u> | <u>\$ 11,808,327</u> |
| Business-type activities: | | | | |
| Solid Waste | \$ 35,429,898 | \$ 37,280,985 | \$ 0 | \$ 482,478 |
| Water Resources | 28,654,884 | 34,042,298 | 228,023 | 3,237,092 |
| Transit Services | 13,312,316 | 2,080,533 | 7,654,536 | 1,743,130 |
| County-wide golf courses | 3,261,197 | 2,585,274 | 0 | 1,521 |
| Total business type activities | <u>\$ 80,658,295</u> | <u>\$ 75,989,090</u> | <u>\$ 7,882,559</u> | <u>\$ 5,464,221</u> |
| Total primary government | <u>\$ 485,042,734</u> | <u>\$ 196,985,686</u> | <u>\$ 39,501,912</u> | <u>\$ 17,272,548</u> |
| Component units: | | | | |
| North Brevard County | | | | |
| Public Library District | \$ 2,149 | \$ 0 | \$ 0 | \$ 0 |
| Merritt Island Redevelopment Agency | 301,471 | 0 | 0 | 0 |
| North Brevard Economic Development Zone | 303,985 | 0 | 0 | 0 |
| Titusville-Cocoa Airport Authority | 3,711,979 | 2,173,854 | 0 | 4,665,028 |
| Housing Finance Authority | 168,326 | 110,833 | 0 | 0 |
| Total component units | <u>\$ 4,487,910</u> | <u>\$ 2,284,687</u> | <u>\$ 0</u> | <u>\$ 4,665,028</u> |

General revenues:

Taxes:

Ad valorem taxes, levied for general purposes

Ad valorem taxes, levied for debt service

Communications services tax

Local option gas tax

Tourist tax

Other

State shared revenues (unrestricted)

Interest income

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Cumulative effect of change in accounting principle

Cumulative effect in prior years of accounting error

Net position - beginning, restated

Net position - ending

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

| Net (Expense) Revenue and Changes in Net Position | | | |
|---|----------------|------------------|-----------|
| Primary Government | | | |
| Governmental | Business-type | Total | Component |
| Activities | Activities | Activities | Units |
| \$ (46,886,776) | \$ 0 | \$ (46,886,776) | |
| (108,783,793) | 0 | (108,783,793) | |
| (2,395,911) | 0 | (2,395,911) | |
| (499,043) | 0 | (499,043) | |
| (13,203,680) | 0 | (13,203,680) | |
| (17,924,433) | 0 | (17,924,433) | |
| (40,624,030) | 0 | (40,624,030) | |
| (9,642,497) | 0 | (9,642,497) | |
| \$ (239,960,163) | \$ 0 | \$ (239,960,163) | |
| \$ 0 | \$ 2,333,565 | \$ 2,333,565 | |
| 0 | 8,852,529 | 8,852,529 | |
| 0 | (1,834,117) | (1,834,117) | |
| 0 | (674,402) | (674,402) | |
| 0 | 8,677,575 | 8,677,575 | |
| \$ (231,282,588) | \$ 8,677,575 | \$ (231,282,588) | |
| \$ 188,128,582 | \$ 0 | \$ 188,128,582 | |
| 13,500,497 | 0 | 13,500,497 | |
| 7,277,812 | 0 | 7,277,812 | |
| 10,829,924 | 0 | 10,829,924 | |
| 11,292,010 | 0 | 11,292,010 | |
| 517,635 | 0 | 517,635 | |
| 34,265,881 | 0 | 34,265,881 | |
| 1,067,098 | 1,183,704 | 3,333,763 | |
| 2,266,665 | 9,058,557 | 10,242,261 | |
| 806,865 | 806,865 | 0 | |
| \$ 277,944,428 | \$ 1,443,937 | \$ 279,388,365 | |
| 37,984,265 | 10,121,512 | 48,105,777 | |
| 717,426,710 | 279,979,297 | 997,406,007 | |
| (175,129,757) | (9,781,827) | (184,911,584) | |
| 0 | (20,599,319) | (20,599,319) | |
| \$ 542,296,953 | \$ 249,598,151 | \$ 791,895,104 | |
| \$ 580,281,218 | \$ 259,719,663 | \$ 840,000,881 | |
| \$ 0 | \$ 0 | \$ 0 | |
| \$ 62,512,949 | \$ 6,664,791 | \$ 68,177,740 | |
| (440,672) | 0 | (440,672) | |
| \$ 62,072,277 | \$ 68,737,068 | \$ 130,809,345 | |
| \$ (2,149) | \$ (301,471) | \$ (303,985) | |
| 3,126,903 | (57,493) | 2,461,805 | |

BREVARD COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

| | <u>General</u> | <u>Emergency Services</u> |
|--|----------------------|-------------------------------|
| ASSETS | | |
| Cash | \$ 38,637,383 | \$ 18,177,442 |
| Receivables (net of allowance for uncollectibles): | | |
| Accounts | 3,653,466 | 7,591,535 |
| Taxes | 268,532 | 17,748 |
| Assessments | 57,024 | 14,738 |
| Accrued interest | 435,127 | 142 |
| Due from other funds | 2,198,587 | 423,547 |
| Due from other governmental units | 5,420,060 | 737,849 |
| Inventory of supplies | 2,801,561 | 1,207,123 |
| Advances to other funds | 0 | 0 |
| Prepaid items | 876,827 | 129,293 |
| Total assets | <u>\$ 54,348,567</u> | <u>\$ 28,299,417</u> |
| LIABILITIES AND FUND BALANCES | | |
| LIABILITIES | | |
| Vouchers and contracts payable | \$ 5,528,231 | \$ 1,026,805 |
| Accrued wages and benefits payable | 8,856,713 | 0 |
| Due to other funds | 3,320,542 | 30 |
| Due to other governmental units | 1,384,853 | 0 |
| Advances from other funds | 828,264 | 0 |
| Unearned revenue | 908,112 | 29,540 |
| Total liabilities | <u>\$ 20,826,715</u> | <u>\$ 1,056,375</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Unavailable revenue-intergovernmental | \$ 472,785 | \$ 0 |
| Unavailable revenue-taxes and assessments | 321,728 | 32,486 |
| Unavailable revenue-future reimbursements | 774,603 | 0 |
| Unavailable revenue-charges for services | 0 | 5,127,731 |
| Total deferred inflows of resources | <u>\$ 1,569,116</u> | <u>\$ 5,160,217</u> |
| Fund balances: | | |
| Non-spendable | \$ 2,937,594 | \$ 1,336,416 |
| Restricted | 0 | 20,013,541 |
| Committed | 0 | 0 |
| Assigned | 7,938,099 | 732,868 |
| Unassigned | 21,077,043 | 0 |
| Total fund balances | <u>\$ 31,952,736</u> | <u>\$ 22,082,825</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 54,348,567</u> | <u>\$ 28,299,417</u> |

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

| <i>Brevard County Transportation Trust</i> | <i>Grants</i> | <i>Other Governmental Funds</i> | <i>Total</i> |
|--|-----------------------|---|-----------------------|
| \$ 69,654,622 | \$ 117,682 | \$ 83,697,717 | \$ 210,284,846 |
| 585,264 | 554,368 | 283,403 | 12,668,036 |
| 0 | 0 | 125,693 | 411,973 |
| 0 | 0 | 8,295 | 80,057 |
| 0 | 0 | 150 | 435,419 |
| 2,968,875 | 0 | 8,222,071 | 13,813,080 |
| 2,434,238 | 14,977,172 | 978,590 | 24,547,909 |
| 37,633 | 0 | 1,231,220 | 5,277,537 |
| 0 | 0 | 207,024 | 207,024 |
| 0 | 57,798 | 45,271 | 1,109,189 |
| <u>\$ 75,680,632</u> | <u>\$ 15,707,020</u> | <u>\$ 94,799,434</u> | <u>\$ 268,835,070</u> |
| | | | |
| \$ 2,782,298 | \$ 3,102,354 | \$ 3,478,838 | \$ 15,918,526 |
| 0 | 0 | 556,131 | 9,412,844 |
| 0 | 11,991,438 | 1,193,005 | 16,505,015 |
| 0 | 0 | 37,853 | 1,422,706 |
| 0 | 0 | 0 | 828,264 |
| 3,207,219 | 255,727 | 261,093 | 4,661,691 |
| <u>\$ 5,989,517</u> | <u>\$ 15,349,519</u> | <u>\$ 5,526,920</u> | <u>\$ 48,749,046</u> |
| | | | |
| \$ 313,471 | \$ 8,032,763 | \$ 172,238 | \$ 8,991,257 |
| 0 | 0 | 133,988 | 488,202 |
| 0 | 38,291 | 41,540 | 854,434 |
| 0 | 0 | 0 | 5,127,731 |
| <u>\$ 313,471</u> | <u>\$ 8,071,054</u> | <u>\$ 347,766</u> | <u>\$ 15,461,624</u> |
| | | | |
| \$ 37,633 | \$ 57,798 | \$ 1,471,074 | \$ 5,840,515 |
| 68,006,580 | 221,302 | 83,746,554 | 171,987,977 |
| 0 | 0 | 3,707,120 | 3,707,120 |
| 1,333,431 | 0 | 0 | 10,004,398 |
| 0 | (7,992,653) | 0 | 13,084,390 |
| <u>\$ 69,377,644</u> | <u>\$ (7,713,553)</u> | <u>\$ 88,924,748</u> | <u>\$ 204,624,400</u> |
| | | | |
| <u>\$ 75,680,632</u> | <u>\$ 15,707,020</u> | <u>\$ 94,799,434</u> | <u>\$ 268,835,070</u> |

BREVARD COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

| | |
|---|-----------------------|
| Fund balances - total governmental funds | \$ 204,624,400 |
| 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. | 797,046,803 |
| Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. | 476,924 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds. | (469,142,046) |
| Unavailable revenue in the governmental funds is susceptible to full accrual on the entity-wide statements. | 15,461,624 |
| Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities. | <u>31,813,513</u> |
| Net position of governmental activities | <u>\$ 580,281,218</u> |



BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <i>General</i> | <i>Emergency Services</i> |
|--|-----------------|-------------------------------|
| REVENUES | | |
| Taxes | \$ 136,568,559 | \$ 10,420,194 |
| Permits, fees and special assessments | 15,993,556 | 21,483,119 |
| Intergovernmental revenues | 40,622,781 | 2,808,290 |
| Charges for services | 35,640,141 | 16,550,130 |
| Fines and forfeits | 1,645,302 | 293,414 |
| Miscellaneous revenues | 6,046,114 | 276,827 |
| Total revenues | \$ 236,516,453 | \$ 51,831,974 |
| EXPENDITURES | | |
| Current: | | |
| General government | \$ 71,430,468 | \$ 0 |
| Public safety | 95,557,735 | 58,445,551 |
| Physical environment | 3,161,095 | 0 |
| Transportation | 6,940,342 | 0 |
| Economic environment | 1,638,047 | 0 |
| Human services | 14,808,086 | 0 |
| Culture and recreation | 15,703,417 | 0 |
| Intergovernmental | 6,751,038 | 333,872 |
| Capital outlay | 0 | 0 |
| Debt service: | | |
| Principal | 99,574 | 0 |
| Interest | 17,996 | 0 |
| Total expenditures | \$ 216,107,798 | \$ 58,779,423 |
| Excess (deficiency) of revenues over (under) expenditures | \$ 20,408,655 | \$ (6,947,449) |
| OTHER FINANCING SOURCES AND (USES) | | |
| Transfers in | \$ 10,002,776 | \$ 8,846,070 |
| Transfers out | (27,728,728) | (1,102,665) |
| Proceeds of the sale of capital assets | 144,278 | 118,013 |
| Insurance proceeds | 22,644 | 0 |
| Capital leases issued | 119,375 | 0 |
| Capital related debt issued | 0 | 0 |
| Total other financing sources and uses | \$ (17,439,655) | \$ 7,861,418 |
| Net change in fund balances | \$ 2,969,000 | \$ 913,969 |
| Fund balances - beginning | \$ 29,234,965 | \$ 21,196,935 |
| Increase (decrease) in non-spendable | (251,229) | (28,079) |
| Fund balances - ending | \$ 31,952,736 | \$ 22,082,825 |

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

| <i>Brevard County Transportation Trust</i> | <i>Grants</i> | <i>Other Governmental Funds</i> | <i>Total Governmental Funds</i> |
|--|-----------------------|---|---|
| \$ 11,302,253 | \$ 0 | \$ 73,310,889 | \$ 231,601,895 |
| 0 | 0 | 13,546,154 | 51,022,829 |
| 9,577,277 | 19,400,839 | 1,946,208 | 74,355,395 |
| 8,372,917 | 0 | 4,764,730 | 65,327,918 |
| 0 | 0 | 1,363,643 | 3,302,359 |
| 605,418 | 482,624 | 3,472,674 | 10,883,657 |
| <u>\$ 29,857,865</u> | <u>\$ 19,883,463</u> | <u>\$ 98,404,298</u> | <u>\$ 436,494,053</u> |
| | | | |
| \$ 170,732 | \$ 669,738 | \$ 6,323,600 | \$ 78,594,538 |
| 0 | 2,330,840 | 20,953,856 | 177,287,982 |
| 0 | 5,403,891 | 6,924,671 | 15,489,657 |
| 26,902,235 | 8,845,748 | 3,419,382 | 46,107,707 |
| 0 | 1,936,984 | 6,190,619 | 9,765,650 |
| 0 | 2,205,858 | 5,175,999 | 22,189,943 |
| 0 | 750,866 | 23,050,676 | 39,504,959 |
| 1,121,237 | 1,148,081 | 4,854,938 | 14,209,166 |
| 0 | 0 | 17,041,749 | 17,041,749 |
| 4,845,000 | 0 | 15,599,435 | 20,544,009 |
| 4,083,024 | 0 | 5,009,982 | 9,111,002 |
| <u>\$ 37,122,228</u> | <u>\$ 23,292,006</u> | <u>\$ 114,544,907</u> | <u>\$ 449,846,362</u> |
| | | | |
| <u>\$ (7,264,363)</u> | <u>\$ (3,408,543)</u> | <u>\$ (16,140,609)</u> | <u>\$ (13,352,309)</u> |
| | | | |
| \$ 2,499,768 | \$ 66,191 | \$ 15,940,434 | \$ 37,355,239 |
| (728,192) | 0 | (8,968,816) | (38,528,401) |
| 104,954 | 0 | 709,953 | 1,077,198 |
| 1,717 | 0 | 10,294 | 34,655 |
| 0 | 0 | 0 | 119,375 |
| 0 | 0 | 4,100,000 | 4,100,000 |
| <u>\$ 1,878,247</u> | <u>\$ 66,191</u> | <u>\$ 11,791,865</u> | <u>\$ 4,158,066</u> |
| <u>\$ (5,386,116)</u> | <u>\$ (3,342,352)</u> | <u>\$ (4,348,744)</u> | <u>\$ (9,194,243)</u> |
| \$ 74,757,789 | \$ (4,318,805) | \$ 93,354,471 | \$ 214,225,355 |
| 5,971 | (52,396) | (80,979) | (406,712) |
| <u>\$ 69,377,644</u> | <u>\$ (7,713,553)</u> | <u>\$ 88,924,748</u> | <u>\$ 204,624,400</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, 2015

| | |
|---|-----------------------------|
| Net change in fund balances - total governmental funds | \$ (9,194,243) |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. | 9,725,581 |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations). | (20,744) |
| 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. | 3,345,579 |
| 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. | 16,411,276 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund. | 12,437,670 |
| 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. | (466,744) |
| 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>5,745,890</u> |
| Change in net position of governmental activities | <u><u>\$ 37,984,265</u></u> |



BREVARD COUNTY, FLORIDA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <i>Budgeted Amounts</i> | | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|---|-------------------------|-----------------------|-----------------------|---|
| | <i>Original</i> | <i>Final</i> | | |
| REVENUES | | | | |
| Taxes: | | | | |
| Ad valorem taxes | \$ 134,395,022 | \$ 134,395,022 | \$ 129,263,772 | \$ (5,131,250) |
| Communications services tax | 7,932,677 | 7,932,677 | 6,805,482 | (1,127,195) |
| Other taxes | 400,000 | 400,000 | 499,305 | 99,305 |
| Total taxes | \$ 142,727,699 | \$ 142,727,699 | \$ 136,568,559 | \$ (6,159,140) |
| Permits, fees and special assessments: | | | | |
| Franchise fees-electricity | \$ 12,725,271 | \$ 13,787,639 | \$ 13,671,199 | \$ (116,440) |
| Special assessments | 26,657 | 26,657 | 14,462 | (12,195) |
| Other permits and fees | 1,574,211 | 1,631,264 | 2,307,895 | 676,631 |
| Total permits, fees, and special assessments | \$ 14,326,139 | \$ 15,445,560 | \$ 15,993,556 | \$ 547,996 |
| Intergovernmental revenues: | | | | |
| Federal grants | \$ 654,834 | \$ 1,380,619 | \$ 1,351,047 | \$ (29,572) |
| Federal payments in lieu of taxes | 125,000 | 125,000 | 273,840 | 148,840 |
| State grants | 5,814,673 | 5,306,840 | 4,623,351 | (683,489) |
| State shared revenues | 32,503,844 | 33,847,298 | 34,265,881 | 418,583 |
| Grants from other local units | 434,737 | 501,654 | 50,506 | (451,148) |
| Payments from other local units in lieu of taxes | 0 | 0 | 58,156 | 58,156 |
| Total intergovernmental revenues | \$ 39,533,088 | \$ 41,161,411 | \$ 40,622,781 | \$ (538,630) |
| Charges for services: | | | | |
| General government | \$ 13,444,680 | \$ 13,841,380 | \$ 12,415,835 | \$ (1,425,545) |
| Public safety | 9,529,448 | 9,523,418 | 8,721,240 | (802,178) |
| Physical environment | 413,985 | 413,985 | 351,992 | (61,993) |
| Transportation | 768,723 | 768,723 | 692,439 | (76,284) |
| Human services | 100,000 | 100,000 | 0 | (100,000) |
| Culture and recreation | 4,051,709 | 4,051,709 | 4,145,840 | 94,131 |
| Court-related revenues | 6,912,605 | 6,912,605 | 7,367,940 | 455,335 |
| Other charges for services | 1,878,100 | 1,867,293 | 1,944,855 | 77,562 |
| Total charges for services | \$ 37,099,250 | \$ 37,479,113 | \$ 35,640,141 | \$ (1,838,972) |
| Fines and forfeits | \$ 1,869,746 | \$ 1,869,746 | \$ 1,645,302 | \$ (224,444) |
| Miscellaneous revenues: | | | | |
| Interest earnings | \$ 280,831 | \$ 281,131 | \$ 338,231 | \$ 57,100 |
| Rents and royalties | 1,723,083 | 1,749,399 | 1,750,056 | 657 |
| Sales of surplus materials | 0 | 66,086 | 97,340 | 31,254 |
| Contributions and donations | 169,943 | 263,903 | 199,367 | (64,536) |
| Licenses | 987,500 | 987,500 | 989,910 | 2,410 |
| Other miscellaneous revenues | 3,537,491 | 4,712,812 | 2,671,210 | (2,041,602) |
| Total miscellaneous revenues | \$ 6,698,848 | \$ 8,060,831 | \$ 6,046,114 | \$ (2,014,717) |
| Total revenues | \$ 242,254,770 | \$ 246,744,360 | \$ 236,516,453 | \$ (10,227,907) |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government: | | | | |
| Legislative | \$ 1,473,962 | \$ 1,506,065 | \$ 1,494,659 | \$ 11,406 |
| Executive | 1,079,308 | 1,023,034 | 850,215 | 172,819 |
| Financial and administrative | 32,297,966 | 32,464,704 | 30,169,689 | 2,295,015 |
| Legal counsel | 1,414,128 | 1,470,402 | 1,453,249 | 17,153 |
| Comprehensive planning | 2,553,570 | 2,692,536 | 2,347,178 | 345,358 |
| Court related | 22,997,315 | 22,424,930 | 22,006,631 | 418,299 |
| Other general government | 15,203,426 | 15,120,783 | 13,108,847 | 2,011,936 |
| Total general government | \$ 77,019,675 | \$ 76,702,454 | \$ 71,430,468 | \$ 5,271,986 |

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

| | <i>Budgeted Amounts</i> | | | <i>Variance with final budget - Positive (Negative)</i> |
|---|-------------------------|-----------------|----------------------|---|
| | <i>Original</i> | <i>Final</i> | <i>Actual Amount</i> | |
| Expenditures (continued) | | | | |
| Public safety: | | | | |
| Law enforcement | \$ 48,590,836 | \$ 53,415,565 | \$ 50,563,627 | \$ 2,851,938 |
| Detention and/or correction | 41,580,999 | 41,805,346 | 40,938,635 | 866,711 |
| Protective inspections | 1,246,656 | 1,246,656 | 1,190,110 | 56,546 |
| Emergency and disaster relief services | 2,759,505 | 2,958,846 | 1,392,723 | 1,566,123 |
| Medical examiner | 1,509,353 | 1,544,353 | 1,472,640 | 71,713 |
| Total public safety | \$ 95,687,349 | \$ 100,970,766 | \$ 95,557,735 | \$ 5,413,031 |
| Physical environment: | | | | |
| Conservation and resource management | \$ 3,503,998 | \$ 3,664,195 | \$ 3,161,095 | \$ 503,100 |
| Transportation: | | | | |
| Road and street facilities | \$ 6,798,680 | \$ 6,798,680 | \$ 6,512,448 | \$ 286,232 |
| Airports | 670,291 | 837,374 | 427,894 | 409,480 |
| Total transportation | \$ 7,468,971 | \$ 7,636,054 | \$ 6,940,342 | \$ 695,712 |
| Economic environment: | | | | |
| Industry development | \$ 1,400,050 | \$ 1,400,050 | \$ 1,400,050 | \$ 0 |
| Veterans' services | 242,026 | 242,026 | 237,997 | 4,029 |
| Total economic environment | \$ 1,642,076 | \$ 1,642,076 | \$ 1,638,047 | \$ 4,029 |
| Human services: | | | | |
| Health | \$ 10,777,940 | \$ 10,841,597 | \$ 10,746,280 | \$ 95,317 |
| Mental health | 2,429,089 | 2,428,901 | 2,389,446 | 39,455 |
| Public assistance | 1,837,937 | 1,945,517 | 1,600,120 | 345,397 |
| Developmental disabilities | 71,944 | 71,944 | 72,240 | (296) |
| Total human services | \$ 15,116,910 | \$ 15,287,959 | \$ 14,808,086 | \$ 479,873 |
| Culture and recreation: | | | | |
| Parks and recreation | \$ 18,357,159 | \$ 18,491,337 | \$ 15,531,399 | \$ 2,959,938 |
| Cultural services | 206,707 | 206,707 | 172,018 | 34,689 |
| Total culture and recreation | \$ 18,563,866 | \$ 18,698,044 | \$ 15,703,417 | \$ 2,994,627 |
| Intergovernmental | \$ 6,751,032 | \$ 6,767,846 | \$ 6,751,038 | \$ 16,808 |
| Debt service: | | | | |
| Principal | \$ 0 | \$ 99,887 | \$ 99,574 | \$ 313 |
| Interest | 37,477 | 44,679 | 17,996 | 26,683 |
| Total debt service | \$ 37,477 | \$ 144,566 | \$ 117,570 | \$ 26,996 |
| Total expenditures | \$ 225,791,354 | \$ 231,513,960 | \$ 216,107,798 | \$ 15,406,162 |
| Excess of revenues over expenditures | \$ 16,463,416 | \$ 15,230,400 | \$ 20,408,655 | \$ 5,178,255 |
| OTHER FINANCING SOURCES AND (USES) | | | | |
| Transfers in | \$ 11,875,316 | \$ 13,601,314 | \$ 10,002,776 | \$ (3,598,538) |
| Transfers out | (28,928,983) | (28,575,994) | (27,728,728) | 847,266 |
| Proceeds of the sale of capital assets | 102,000 | 102,000 | 144,278 | 42,278 |
| Insurance proceeds | 40,400 | 44,445 | 22,644 | (21,801) |
| Capital leases issued | 0 | 119,533 | 119,375 | (158) |
| Total other financing sources and uses | \$ (16,911,267) | \$ (14,708,702) | \$ (17,439,655) | \$ (2,730,953) |
| Net change in fund balances | \$ (447,851) | \$ 521,698 | \$ 2,969,000 | \$ 2,447,302 |
| Fund balances - beginning | 29,234,965 | 29,234,965 | 29,234,965 | 0 |
| Decrease in non-spendable | 0 | 0 | (251,229) | (251,229) |
| Fund balances - ending | \$ 28,787,114 | \$ 29,756,663 | \$ 31,952,736 | \$ 2,196,073 |

BREVARD COUNTY, FLORIDA
EMERGENCY SERVICES

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <i>Budgeted Amounts</i> | | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|---|-------------------------|-----------------------|----------------------|---|
| | <i>Original</i> | <i>Final</i> | | |
| REVENUES | | | | |
| Taxes | \$ 10,803,917 | \$ 10,803,917 | \$ 10,420,194 | \$ (383,723) |
| Permits, fees and special assessments | 22,074,398 | 22,127,398 | 21,483,119 | (644,279) |
| Intergovernmental revenues | 3,320,400 | 3,347,939 | 2,808,290 | (539,649) |
| Charges for services | 16,398,513 | 16,398,513 | 16,550,130 | 151,617 |
| Fines and forfeits | 349,474 | 349,474 | 293,414 | (56,060) |
| Miscellaneous revenues | 191,552 | 191,552 | 276,827 | 85,275 |
| Total revenues | \$ 53,138,254 | \$ 53,218,793 | \$ 51,831,974 | \$ (1,386,819) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | \$ 67,987,425 | \$ 70,601,996 | \$ 58,445,551 | \$ 12,156,445 |
| Intergovernmental | 304,964 | 327,014 | 333,872 | (6,858) |
| Total expenditures | \$ 68,292,389 | \$ 70,929,010 | \$ 58,779,423 | \$ 12,149,587 |
| Deficiency of revenues under expenditures | \$ (15,154,135) | \$ (17,710,217) | \$ (6,947,449) | \$ 10,762,768 |
| OTHER FINANCING SOURCES AND (USES) | | | | |
| Transfers in | \$ 9,426,650 | \$ 9,426,650 | \$ 8,846,070 | \$ (580,580) |
| Transfers out | (1,576,890) | (1,612,155) | (1,102,665) | 509,490 |
| Proceeds of the sale of capital assets | 0 | 0 | 118,013 | 118,013 |
| Total other financing sources and uses | \$ 7,849,760 | \$ 7,814,495 | \$ 7,861,418 | \$ 46,923 |
| Net change in fund balances | \$ (7,304,375) | \$ (9,895,722) | \$ 913,969 | \$ 10,809,691 |
| Fund balances - beginning | \$ 21,196,935 | \$ 21,196,935 | \$ 21,196,935 | \$ 0 |
| Decrease in non-spendable | 0 | 0 | (28,079) | (28,079) |
| Fund balances - ending | \$ 13,892,560 | \$ 11,301,213 | \$ 22,082,825 | \$ 10,781,612 |

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, 2015

| | <i>Budgeted Amounts</i> | | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|---|-------------------------|------------------------|-----------------------|---|
| | <i>Original</i> | <i>Final</i> | | |
| REVENUES | | | | |
| Taxes | \$ 10,459,659 | \$ 10,459,659 | \$ 11,302,253 | \$ 842,594 |
| Intergovernmental revenues | 8,921,516 | 9,366,059 | 9,577,277 | 211,218 |
| Charges for services | 3,245,522 | 6,325,205 | 8,372,917 | 2,047,712 |
| Miscellaneous revenues | 396,125 | 396,124 | 605,418 | 209,294 |
| Total revenues | <u>\$ 23,022,822</u> | <u>\$ 26,547,047</u> | <u>\$ 29,857,865</u> | <u>\$ 3,310,818</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | \$ 168,433 | \$ 178,433 | \$ 170,732 | \$ 7,701 |
| Transportation | 51,903,742 | 58,829,390 | 26,902,235 | 31,927,155 |
| Intergovernmental | 0 | 1,121,239 | 1,121,237 | 2 |
| Debt service: | | | | |
| Principal | 4,520,000 | 4,845,000 | 4,845,000 | 0 |
| Interest | 4,161,180 | 4,161,180 | 4,083,024 | 78,156 |
| Total expenditures | <u>\$ 60,753,355</u> | <u>\$ 69,135,242</u> | <u>\$ 37,122,228</u> | <u>\$ 32,013,014</u> |
| Deficiency of revenues under expenditures | <u>\$ (37,730,533)</u> | <u>\$ (42,588,195)</u> | <u>\$ (7,264,363)</u> | <u>\$ 35,323,832</u> |
| OTHER FINANCING SOURCES AND (USES) | | | | |
| Transfers in | \$ 3,262,766 | \$ 3,262,832 | \$ 2,499,768 | \$ (763,064) |
| Transfers out | (329,376) | (741,829) | (728,192) | 13,637 |
| Proceeds of the sale of capital assets | 15,000 | 15,000 | 104,954 | 89,954 |
| Insurance proceeds | 0 | 0 | 1,717 | 1,717 |
| Total other financing sources and uses | <u>\$ 2,948,390</u> | <u>\$ 2,536,003</u> | <u>\$ 1,878,247</u> | <u>\$ (657,756)</u> |
| Net change in fund balances | <u>\$ (34,782,143)</u> | <u>\$ (40,052,192)</u> | <u>\$ (5,386,116)</u> | <u>\$ 34,666,076</u> |
| Fund balances - beginning | 74,757,789 | 74,757,789 | 74,757,789 | 0 |
| Increase in non-spendable | 0 | 0 | 5,971 | 5,971 |
| Fund balances - ending | <u>\$ 39,975,646</u> | <u>\$ 34,705,597</u> | <u>\$ 69,377,644</u> | <u>\$ 34,672,047</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, 2015

| | <u>Budgeted Amounts</u> | | <u>Actual Amount</u> | <i>Variance with final budget - Positive (Negative)</i> |
|--|-------------------------|----------------------|-----------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Intergovernmental revenues | \$ 36,411,221 | \$ 57,088,535 | \$ 19,400,839 | \$ (37,687,696) |
| Miscellaneous revenues | 265,261 | 265,261 | 482,624 | 217,363 |
| Total revenues | <u>\$ 36,676,482</u> | <u>\$ 57,353,796</u> | <u>\$ 19,883,463</u> | <u>\$ (37,470,333)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | \$ 882,638 | \$ 909,864 | \$ 669,738 | \$ 240,126 |
| Public safety | 2,279,763 | 2,410,824 | 2,330,840 | 79,984 |
| Physical environment | 11,213,506 | 15,371,275 | 5,403,891 | 9,967,384 |
| Transportation | 17,601,274 | 20,526,388 | 8,845,748 | 11,680,640 |
| Economic environment | 3,519,759 | 4,040,354 | 1,936,984 | 2,103,370 |
| Human services | 2,658,613 | 2,759,714 | 2,205,858 | 553,856 |
| Culture and recreation | 567,354 | 2,421,916 | 750,866 | 1,671,050 |
| Intergovernmental | 1,134,156 | 2,340,825 | 1,148,081 | 1,192,744 |
| Total expenditures | <u>\$ 39,857,063</u> | <u>\$ 50,781,160</u> | <u>\$ 23,292,006</u> | <u>\$ 27,489,154</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (3,180,581)</u> | <u>\$ 6,572,636</u> | <u>\$ (3,408,543)</u> | <u>\$ (9,981,179)</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers in | \$ 12,931 | \$ 70,688 | \$ 66,191 | \$ (4,497) |
| Net change in fund balances | <u>\$ (3,167,650)</u> | <u>\$ 6,643,324</u> | <u>\$ (3,342,352)</u> | <u>\$ (9,985,676)</u> |
| Fund balances - beginning | (4,318,805) | (4,318,805) | (4,318,805) | 0 |
| Decrease in non-spendable | 0 | 0 | (52,396) | (52,396) |
| Fund balances - ending | <u>\$ (7,486,455)</u> | <u>\$ 2,324,519</u> | <u>\$ (7,713,553)</u> | <u>\$ (10,038,072)</u> |

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



BREVARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2015

| | <i>Business-type</i> | |
|--|--|---|
| | <i>Solid Waste Management Department</i> | <i>Water Resources Department</i> |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 38,412,049 | \$ 29,094,167 |
| Cash with escrow and paying agent | 0 | 0 |
| Accounts receivable (net of allowance for uncollectibles) | 630,284 | 145,314 |
| Accrued interest receivable | 0 | 0 |
| Due from other funds | 34,960 | 133,507 |
| Due from other governmental units | 7,500 | 4,455,945 |
| Prepaid items | 1,019,712 | 31,498 |
| Inventories | 215,986 | 691,020 |
| Restricted assets: | | |
| Cash and cash equivalents | 32,296,544 | 19,311,292 |
| Total current assets | <u>\$ 72,617,035</u> | <u>\$ 53,862,743</u> |
| Noncurrent assets: | | |
| Capital assets: | | |
| Land | \$ 27,173,710 | \$ 3,059,167 |
| Easements | 0 | 4,260 |
| Goodwill | 0 | 0 |
| Buildings and structures | 26,595,170 | 21,291,891 |
| Infrastructure | 11,560,971 | 8,589,580 |
| Improvements to land | 566,484 | 0 |
| Improvements other than buildings | 20,641,246 | 244,544,018 |
| Machinery and equipment | 21,948,104 | 11,747,243 |
| Construction in progress | 15,844,528 | 9,970,846 |
| Less accumulated depreciation | (49,082,624) | (174,534,447) |
| Advances to other funds | 207,077 | 954,163 |
| Advances to component units | 0 | 0 |
| Unamortized bond insurance | 0 | 0 |
| Total noncurrent assets | <u>\$ 75,454,666</u> | <u>\$ 125,626,721</u> |
| Total assets | <u>\$ 148,071,701</u> | <u>\$ 179,489,464</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred charge on refunding | \$ 0 | \$ 0 |
| Deferred charges for pensions | 559,810 | 590,402 |
| Total deferred outflows of resources | <u>\$ 559,810</u> | <u>\$ 590,402</u> |

Activities - Enterprise Funds

| <i>Barefoot Bay Water & Sewer District</i> | <i>Other Business-type Activities</i> | <i>Total</i> | <i>Governmental Activities- Internal Service Funds</i> |
|--|---|-----------------------|--|
| \$ 1,723,676 | \$ 8,432,801 | \$ 77,662,693 | \$ 47,385,115 |
| 0 | 0 | 0 | 1,125,191 |
| 185,599 | 73,879 | 1,035,076 | 292,071 |
| 0 | 1,463 | 1,463 | 0 |
| 0 | 0 | 168,467 | 2,784,361 |
| 182,631 | 1,167,552 | 5,813,628 | 411,026 |
| 0 | 0 | 1,051,210 | 1,263,286 |
| 72,193 | 65,600 | 1,044,799 | 0 |
| 1,073,650 | 0 | 52,681,486 | 0 |
| <u>\$ 3,237,749</u> | <u>\$ 9,741,295</u> | <u>\$ 139,458,822</u> | <u>\$ 53,261,050</u> |
| \$ 5,102,165 | \$ 2,171,899 | \$ 37,506,941 | \$ 0 |
| 0 | 0 | 4,260 | 0 |
| 940,130 | 0 | 940,130 | 0 |
| 1,339,186 | 4,804,617 | 54,030,864 | 0 |
| 0 | 0 | 20,150,551 | 0 |
| 0 | 8,259,880 | 8,826,364 | 0 |
| 14,746,585 | 765,385 | 280,697,234 | 0 |
| 441,080 | 23,578,145 | 57,714,572 | 7,581,651 |
| 373,206 | 0 | 26,188,580 | 0 |
| (11,704,896) | (24,706,132) | (260,028,099) | (5,956,124) |
| 0 | 0 | 1,161,240 | 0 |
| 0 | 0 | 0 | 209,958 |
| 61,378 | 0 | 61,378 | 0 |
| <u>\$ 11,298,834</u> | <u>\$ 14,873,794</u> | <u>\$ 227,254,015</u> | <u>\$ 1,835,485</u> |
| <u>\$ 14,536,583</u> | <u>\$ 24,615,089</u> | <u>\$ 366,712,837</u> | <u>\$ 55,096,535</u> |
| \$ 0 | \$ 8,818 | \$ 8,818 | \$ 0 |
| 61,181 | 406,856 | 1,618,249 | 281,434 |
| <u>\$ 61,181</u> | <u>\$ 415,674</u> | <u>\$ 1,627,067</u> | <u>\$ 281,434</u> |

BREVARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2015

| | <i>Business-type</i> | |
|---|---|--|
| | <u><i>Solid Waste Management Department</i></u> | <u><i>Water Resources Department</i></u> |
| LIABILITIES | | |
| Current liabilities | | |
| (payable from current assets): | | |
| Vouchers and contracts payable | \$ 1,721,791 | \$ 2,042,361 |
| Claims payable | 0 | 0 |
| Due to other funds | 0 | 0 |
| Due to other governmental units | 0 | 392 |
| Accrued interest payable | 0 | 83,948 |
| Customer deposits | 363,342 | 444,637 |
| Accrued compensated absences | 45,618 | 91,794 |
| Revenue bonds | 0 | 490,000 |
| Leases payable | 0 | 0 |
| Total current liabilities | <u>\$ 2,130,751</u> | <u>\$ 3,153,132</u> |
| Noncurrent liabilities: | | |
| Revenue bonds payable (net of unamortized premium and discount) | \$ 0 | \$ 25,940,349 |
| Notes payable | 0 | 0 |
| Advances from other funds | 0 | 0 |
| Claims payable | 0 | 0 |
| Landfill closure and postclosure care | 47,374,552 | 0 |
| Accrued compensated absences | 618,071 | 482,840 |
| Other postemployment benefits | 868,258 | 871,226 |
| Net pension liability | 2,949,047 | 3,110,198 |
| Total noncurrent liabilities | <u>\$ 51,809,928</u> | <u>\$ 30,404,613</u> |
| Total liabilities | <u>\$ 53,940,679</u> | <u>\$ 33,557,745</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Deferred charges for pensions | <u>\$ 765,362</u> | <u>\$ 807,185</u> |
| NET POSITION | | |
| Net investment in capital assets | \$ 75,247,589 | \$ 115,485,874 |
| Restricted for: | | |
| Debt service | 0 | 122,990 |
| Renewal and replacement | 0 | 1,500,000 |
| Unrestricted | 18,677,881 | 28,606,072 |
| Total net position | <u>\$ 93,925,470</u> | <u>\$ 145,714,936</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 & Sewer District</i> | <i>Other Business-type Activities</i> | <i>Total</i> | |
| \$ 282,661 | \$ 611,748 | \$ 4,658,561 | \$ 351,412 |
| 0 | 0 | 0 | 8,629,025 |
| 63,584 | 198,750 | 262,334 | 0 |
| 0 | 54,124 | 54,516 | 0 |
| 310,767 | 19,984 | 414,699 | 3,888 |
| 64,495 | 0 | 872,474 | 0 |
| 7,053 | 62,643 | 207,108 | 58,279 |
| 592,000 | 623,271 | 1,705,271 | 0 |
| 0 | 0 | 0 | 127,611 |
| <u>\$ 1,320,560</u> | <u>\$ 1,570,520</u> | <u>\$ 8,174,963</u> | <u>\$ 9,170,215</u> |
| | | | |
| \$ 12,148,833 | \$ 1,499,452 | \$ 39,588,634 | \$ 0 |
| 0 | 828,000 | 828,000 | 0 |
| 540,000 | 0 | 540,000 | 0 |
| 0 | 0 | 0 | 9,501,707 |
| 0 | 0 | 47,374,552 | 0 |
| 86,105 | 343,628 | 1,530,644 | 254,298 |
| 79,991 | 539,818 | 2,359,293 | 257,757 |
| 322,300 | 2,143,297 | 8,524,842 | 1,482,581 |
| <u>\$ 13,177,229</u> | <u>\$ 5,354,195</u> | <u>\$ 100,745,965</u> | <u>\$ 11,496,343</u> |
| <u>\$ 14,497,789</u> | <u>\$ 6,924,715</u> | <u>\$ 108,920,928</u> | <u>\$ 20,666,558</u> |
| | | | |
| <u>\$ 83,646</u> | <u>\$ 556,246</u> | <u>\$ 2,212,439</u> | <u>\$ 384,772</u> |
| | | | |
| \$ (1,503,377) | \$ 11,931,889 | \$ 201,161,975 | \$ 1,497,916 |
| 899,927 | 0 | 1,022,917 | 0 |
| 173,723 | 0 | 1,673,723 | 0 |
| 446,056 | 5,617,913 | 53,347,922 | 32,828,723 |
| <u>\$ 16,329</u> | <u>\$ 17,549,802</u> | <u>\$ 257,206,537</u> | <u>\$ 34,326,639</u> |
| | | <u>2,513,126</u> | |
| | | <u>\$ 259,719,663</u> | |

BREVARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <i>Business-type</i> | |
|--|--|---|
| | <i>Solid Waste Management Department</i> | <i>Water Resources Department</i> |
| Operating revenues: | | |
| Service fees | \$ 25,210,381 | \$ 30,328,147 |
| Less cost of goods sold | 0 | 0 |
| Total operating revenues | \$ 25,210,381 | \$ 30,328,147 |
| Operating expenses: | | |
| Wages and benefits | \$ 7,675,799 | \$ 7,879,529 |
| Repair, maintenance, and other services | 5,787,190 | 10,205,325 |
| Materials and supplies | 4,082,741 | 1,304,600 |
| Landfill closure and postclosure care | 1,724,582 | 0 |
| Depreciation | 4,001,728 | 4,932,269 |
| Insurance claims expense | 0 | 0 |
| Total operating expenses | \$ 23,272,040 | \$ 24,321,723 |
| Operating income (loss) | \$ 1,938,341 | \$ 6,006,424 |
| Nonoperating revenues (expenses): | | |
| Interest income | \$ 614,381 | \$ 328,618 |
| Interest expense | 0 | (875,503) |
| Miscellaneous revenue | 261,883 | 566,156 |
| Grants and matching funds | 0 | 0 |
| Gain (loss) on disposal of capital assets | 220,391 | 52,627 |
| Bond insurance amortization | 0 | 0 |
| Total nonoperating revenues (expenses) | \$ 1,096,655 | \$ 71,898 |
| Income (loss) before contributions and transfers | \$ 3,034,996 | \$ 6,078,322 |
| Capital contributions | 482,478 | 3,229,405 |
| Transfers in | 0 | 0 |
| Transfers out | (1,363,425) | (1,621,513) |
| Change in net position | \$ 2,154,049 | \$ 7,686,214 |
| Net position - beginning | 115,754,623 | 141,597,517 |
| Cumulative effect of change in accounting principle | (3,383,883) | (3,568,795) |
| Cumulative effect in prior years of accounting error | (20,599,319) | 0 |
| Net position - beginning, restated | \$ 91,771,421 | \$ 138,028,722 |
| Net position - ending | \$ 93,925,470 | \$ 145,714,936 |

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

Change in net position of business-type activities

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

| <i>Activities - Enterprise Funds</i> | | | <i>Governmental Activities- Internal Service Funds</i> |
|--|---|-----------------------|--|
| <i>Barefoot Bay Water & Sewer District</i> | <i>Other Business-type Activities</i> | <i>Total</i> | |
| \$ 3,661,524 | \$ 16,355,404 | \$ 75,555,456 | \$ 67,791,662 |
| 0 | (116,306) | (116,306) | 0 |
| <u>\$ 3,661,524</u> | <u>\$ 16,239,098</u> | <u>\$ 75,439,150</u> | <u>\$ 67,791,662</u> |
| \$ 815,239 | \$ 5,823,762 | \$ 22,194,329 | \$ 3,434,570 |
| 1,014,543 | 18,488,385 | 35,495,443 | 10,178,695 |
| 150,661 | 1,802,081 | 7,340,083 | 109,059 |
| 0 | 0 | 1,724,582 | 0 |
| 943,370 | 2,886,423 | 12,763,790 | 517,090 |
| 0 | 0 | 0 | 51,809,087 |
| <u>\$ 2,923,813</u> | <u>\$ 29,000,651</u> | <u>\$ 79,518,227</u> | <u>\$ 66,048,501</u> |
| <u>\$ 737,711</u> | <u>\$ (12,761,553)</u> | <u>\$ (4,079,077)</u> | <u>\$ 1,743,161</u> |
| \$ 12,226 | \$ 111,873 | \$ 1,067,098 | \$ 334,623 |
| (645,513) | (82,277) | (1,603,293) | (3,888) |
| 32,659 | 323,006 | 1,183,704 | 2,165,887 |
| 228,023 | 7,654,536 | 7,882,559 | 0 |
| 0 | 276,922 | 549,940 | (11,686) |
| (7,761) | 0 | (7,761) | 0 |
| <u>\$ (380,366)</u> | <u>\$ 8,284,060</u> | <u>\$ 9,072,247</u> | <u>\$ 2,484,936</u> |
| \$ 357,345 | \$ (4,477,493) | \$ 4,993,170 | \$ 4,228,097 |
| 7,687 | 1,744,651 | 5,464,221 | 8,752 |
| 0 | 2,492,531 | 2,492,531 | 2,325,780 |
| (119,778) | (194,680) | (3,299,396) | (345,753) |
| <u>\$ 245,254</u> | <u>\$ (434,991)</u> | <u>\$ 9,650,526</u> | <u>\$ 6,216,876</u> |
| 140,898 | 20,444,119 | | 29,810,950 |
| (369,823) | (2,459,326) | | (1,701,187) |
| 0 | 0 | | 0 |
| <u>\$ (228,925)</u> | <u>\$ 17,984,793</u> | | <u>\$ 28,109,763</u> |
| <u>\$ 16,329</u> | <u>\$ 17,549,802</u> | | <u>\$ 34,326,639</u> |
| | | 470,986 | |
| | | <u>\$ 10,121,512</u> | |

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <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 | \$ 25,126,057 | \$ 30,086,994 |
| Cash receipts from other sources | 280,633 | 556,893 |
| Cash payments to employees for services | (7,997,462) | (8,314,667) |
| Cash payments to suppliers for goods and services | (10,142,753) | (11,625,894) |
| Cash payments for insurance claims | 0 | 0 |
| Net cash from operating activities | <u>\$ 7,266,475</u> | <u>\$ 10,703,326</u> |
| Cash flows from noncapital financing activities: | | |
| Grant receipts | \$ 0 | \$ 36,447 |
| Transfers in | 0 | 0 |
| Transfers out | (1,363,425) | (1,621,513) |
| Interfund loans | 34,513 | 129,028 |
| Net cash flows from noncapital financing activities | <u>\$ (1,328,912)</u> | <u>\$ (1,456,038)</u> |
| Cash flows from capital and related financing activities: | | |
| Debt proceeds | \$ 0 | \$ 26,677,412 |
| Principal payments | 0 | (420,000) |
| Interest payments | 0 | (872,759) |
| Capital grant receipts | 0 | 0 |
| Payments to acquire, construct, or improve capital assets | (7,488,442) | (8,186,605) |
| Proceeds from disposal of capital assets | 199,045 | 68,410 |
| Impact/connection fees for capital purposes | 472,772 | 1,846,989 |
| Net cash flows from capital and related financing activities | <u>\$ (6,816,625)</u> | <u>\$ 19,113,447</u> |
| Cash flows from investing activities: | | |
| Interest income | \$ 699,215 | \$ 350,013 |
| Net increase (decrease) in cash and cash equivalents | \$ (179,847) | \$ 28,710,748 |
| Cash and cash equivalents, October 1, 2014 | 70,888,440 | 19,694,711 |
| Cash and cash equivalents, September 30, 2015 | <u>\$ 70,708,593</u> | <u>\$ 48,405,459</u> |

| <i>Enterprise Funds</i> | | | <i>Governmental Activities- Internal Service Funds</i> |
|--|---|-----------------------|--|
| <i>Barefoot Bay Water & Sewer District</i> | <i>Other Business-type Activities</i> | <i>Total</i> | |
| \$ 3,658,233 | \$ 16,409,636 | \$ 75,280,920 | \$ 65,616,767 |
| 34,410 | 352,149 | 1,224,085 | 2,268,665 |
| (836,962) | (6,077,963) | (23,227,054) | (3,618,400) |
| (1,046,199) | (21,526,448) | (44,341,294) | (10,463,956) |
| 0 | 0 | 0 | (51,563,246) |
| <u>\$ 1,809,482</u> | <u>\$ (10,842,626)</u> | <u>\$ 8,936,657</u> | <u>\$ 2,239,830</u> |
| \$ 64,620 | \$ 7,990,817 | \$ 8,091,884 | \$ 0 |
| 0 | 2,492,531 | 2,492,531 | 2,325,780 |
| (119,778) | (194,680) | (3,299,396) | (345,753) |
| <u>(60,000)</u> | <u>(269,250)</u> | <u>(165,709)</u> | <u>0</u> |
| \$ (115,158) | \$ 10,019,418 | \$ 7,119,310 | \$ 1,980,027 |
| \$ 0 | \$ 0 | \$ 26,677,412 | \$ 0 |
| (560,000) | (826,565) | (1,806,565) | (123,839) |
| (654,682) | (81,802) | (1,609,243) | (7,660) |
| 0 | 1,743,130 | 1,743,130 | 0 |
| (167,307) | (1,743,130) | (17,585,484) | (307,975) |
| 0 | 241,429 | 508,884 | 115 |
| 7,687 | 0 | 2,327,448 | 0 |
| <u>\$ (1,374,302)</u> | <u>\$ (666,938)</u> | <u>\$ 10,255,582</u> | <u>\$ (439,359)</u> |
| \$ 14,145 | \$ 122,464 | \$ 1,185,837 | \$ 386,318 |
| \$ 334,167 | \$ (1,367,682) | \$ 27,497,386 | \$ 4,166,816 |
| 2,463,159 | 9,800,483 | 102,846,793 | 44,343,490 |
| <u>\$ 2,797,326</u> | <u>\$ 8,432,801</u> | <u>\$ 130,344,179</u> | <u>\$ 48,510,306</u> |

BREVARD COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <i>Business-type Activities -</i> | |
|---|---|--|
| | <u><i>Solid Waste Management Department</i></u> | <u><i>Water Resources Department</i></u> |
| Reconciliation of operating income (loss) to net cash flows from operating activities | | |
| Operating income (loss) | \$ 1,938,341 | \$ 6,006,424 |
| Adjustments to reconcile operating income (loss) to net cash from operating activities: | | |
| Depreciation expense | \$ 4,001,728 | \$ 4,932,269 |
| Landfill closure and postclosure care | 1,724,582 | 0 |
| Miscellaneous revenue | 261,883 | 566,156 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in accounts receivable | (84,324) | (27,243) |
| (Increase) decrease in due from other funds | 0 | 0 |
| (Increase) decrease in due from other governmental units | 0 | (268,816) |
| (Increase) decrease in inventories | 26,317 | 15,843 |
| (Increase) decrease in prepaid items | 41,081 | (16,394) |
| Increase (decrease) in customer deposits | 18,750 | 36,998 |
| Increase (decrease) in accrued compensated absences | (19,429) | (62,869) |
| Increase (decrease) in other postemployment benefits | (72,950) | (70,700) |
| Increase (decrease) in net pension liability | (229,284) | (241,814) |
| Increase (decrease) vouchers and contracts payable | (340,220) | (166,528) |
| Increase (decrease) in claims payable | 0 | 0 |
| Increase (decrease) in unearned revenue | 0 | 0 |
| Increase (decrease) in due to other governmental units | 0 | 0 |
| Total adjustment | <u>\$ 5,328,134</u> | <u>\$ 4,696,902</u> |
| Net cash from operating activities | <u>\$ 7,266,475</u> | <u>\$ 10,703,326</u> |
| Noncash investing, capital and financing activities: | | |
| Capital contributed by developers, individuals, and governmental entities | <u>\$ 0</u> | <u>\$ 1,538,517</u> |
| Fair value of traded in capital assets added to the value of new assets | <u>\$ 285,000</u> | <u>\$ 0</u> |

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

| <i>Enterprise Funds</i> | | | <i>Governmental</i> |
|--------------------------|----------------------|----------------|----------------------|
| <i>Barefoot Bay</i> | <i>Other</i> | <i>Total</i> | <i>Activities-</i> |
| <i>Water & Sewer</i> | <i>Business-type</i> | | <i>Internal</i> |
| <i>District</i> | <i>Activities</i> | | <i>Service Funds</i> |
| \$ 737,711 | \$ (12,761,553) | \$ (4,079,077) | \$ 1,743,161 |
| \$ 943,370 | \$ 2,886,423 | \$ 12,763,790 | \$ 517,090 |
| 0 | 0 | 1,724,582 | 0 |
| 32,659 | 323,006 | 1,183,704 | 2,165,887 |
| (12,514) | 75,334 | (48,747) | (17,144) |
| 0 | 0 | 0 | (1,457,476) |
| 0 | (22,836) | (291,652) | (401,112) |
| 2,790 | 7,427 | 52,377 | 0 |
| 0 | 17,917 | 42,604 | 172,806 |
| 1,685 | 0 | 57,433 | 0 |
| 15,214 | (20,468) | (87,552) | (33,746) |
| (6,534) | (62,773) | (212,957) | (27,209) |
| (25,058) | (166,639) | (662,795) | (115,268) |
| 120,159 | (1,094,409) | (1,480,998) | (804,732) |
| 0 | 0 | 0 | 982,486 |
| 0 | 0 | 0 | (484,913) |
| 0 | (24,055) | (24,055) | 0 |
| \$ 1,071,771 | \$ 1,918,927 | \$ 13,015,734 | \$ 496,669 |
| \$ 1,809,482 | \$ (10,842,626) | \$ 8,936,657 | \$ 2,239,830 |
| \$ 0 | \$ 1,521 | \$ 1,540,038 | \$ 8,752 |
| \$ 0 | \$ 0 | \$ 285,000 | \$ 0 |

BREVARD COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2015

| | <u>Agency Funds</u> |
|---|-------------------------|
| ASSETS | |
| Cash | \$ 24,737,413 |
| Accounts receivable | 685,586 |
| Due from other funds | 1,441 |
| Due from other governmental units | 4,391 |
| Total assets | <u>\$ 25,428,831</u> |
| LIABILITIES | |
| Due to employees, individuals, and others | \$ 9,669,496 |
| Due to other governmental units | 3,429,952 |
| Escrow and refundable deposits | 12,329,383 |
| Total liabilities | <u>\$ 25,428,831</u> |

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

Discretely Presented Component Units

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

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

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

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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

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

The A. Max Brewer Memorial Law Library, Brevard County Expressway Authority, and Brevard County Health Facilities Authority, are considered blended component units and reported no revenues or expenditures for the period ended September 30, 2015.

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

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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

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

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

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

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

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

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

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

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

Spendable Fund Balance:

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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

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

The following are reported as major governmental funds:

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

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

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

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

The following are reported as major enterprise funds:

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

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

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

The County also reports the following fund types:

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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

D. Budget

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

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

The Clerk of the Circuit Court's budget is prepared in two parts. The first part, which relates to the state court system functions, is 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.

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

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

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

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

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

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

Budget amendments totaling \$33,837,793 were enacted during the fiscal year primarily due to the issuance of capital bonds for construction and capital equipment, and authorizing the appropriation of proceeds from grant revenues.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

E. Interfund Receivables and Payables

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

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

F. Capital Assets

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

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

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

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

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

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

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

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

G. Unbilled Service Revenues

Approximately 92% of the Water Resources Department's service fee revenue is billed and collected by cities as agents for the County. Cash collected by the cities is remitted monthly to the County. The County records all revenues billed by the cities through the end of the fiscal year. Unbilled revenue, which results from cycle billing practices of the cities, is recorded in the following fiscal year.

H. Restricted Assets

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

I. Inventory and Prepaid Items

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

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

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

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

J. Cash and Cash Equivalents

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

K. Investments

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

L. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the balance sheet and the statement of net position includes a separate section for deferred inflows of resources. This represents an acquisition of fund balance and net position that applies to a future period(s) and so 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.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

P. Amortization of Discount and Premium on Bonds

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

Q. Reserves of Net Position

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

R. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, 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 fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$(469,142,046) difference are as follows:

| | |
|--|-------------------------|
| Bonds and revenue notes payable | \$ (235,031,277) |
| Plus: Premiums (to be amortized as interest expense) | (1,827,003) |
| Deferred charge on refunding (to be amortized as interest expense) | 3,568,470 |
| Accrued interest payable | (1,847,509) |
| Leases payable | (146,663) |
| Notes payable | (23,642,000) |
| Accrued compensated absences | (27,636,643) |
| Intergovernmental payable | (173,282) |
| Other postemployment benefits | (20,728,661) |
| Net pension liability | (151,142,707) |
| Deferred charges for pensions outflows | 28,691,053 |
| Deferred charges for pensions inflows | (39,225,824) |
| Net adjustment to <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i> | <u>\$ (469,142,046)</u> |

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

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The details of this \$9,725,581 difference are as follows:

| | |
|---|---------------------|
| Capital outlay | \$ 44,652,128 |
| Depreciation expense | <u>(34,926,547)</u> |
| Net adjustment to <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ 9,725,581</u> |

Another element of the reconciliation states that, "the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position." The details of this \$(20,744) difference are as follows:

| | |
|---|--------------------|
| In the statement of activities, only the <i>gain</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold. | \$ (296,475) |
| 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>275,731</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>\$ (20,744)</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 \$16,411,276 difference are as follows:

| | |
|---|----------------------|
| Issuance of notes payable | \$ (4,100,000) |
| Issuance of capital lease | (119,375) |
| Principal repayments: | |
| Bonds and revenue notes | 19,403,435 |
| Capital lease | 99,574 |
| Notes payable | 1,041,000 |
| Intergovernmental payable | <u>86,642</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>\$ 16,411,276</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 \$12,437,670 difference are as follows:

| | |
|---|----------------------|
| Accrued compensated absences | \$ 36,388 |
| Other postemployment benefits | 1,181,685 |
| Net pension liability | 11,751,092 |
| Accrued interest | (17,013) |
| Amortization of deferred charge on refunding | (819,904) |
| Amortization of bond discounts/premium | <u>305,422</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>\$ 12,437,670</u> |

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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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, 2015, is as follows:

| | General Fund | Emergency Services | Brevard County Transportation Trust | Grants | Other Governmental Funds | Total |
|---|----------------------|-----------------------|---|-----------------------|--------------------------------|-----------------------|
| Non-spendable: | | | | | | |
| Advances | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 207,024 | \$ 207,024 |
| Inventory | 2,801,561 | 1,207,123 | 37,633 | 0 | 1,231,220 | 5,277,537 |
| Prepays/deposits | 136,033 | 129,293 | 0 | 57,798 | 32,830 | 355,954 |
| Total non-spendable fund balance | \$ 2,937,594 | \$ 1,336,416 | \$ 37,633 | \$ 57,798 | \$ 1,471,074 | \$ 5,840,515 |
| Restricted: | | | | | | |
| Impact fees | \$ 0 | \$ 937,679 | \$ 10,416,255 | \$ 0 | \$ 6,096,058 | \$ 17,449,992 |
| Fire rescue operations | 0 | 12,401,274 | 0 | 0 | 0 | 12,401,274 |
| Emergency communications | 0 | 6,674,588 | 0 | 0 | 0 | 6,674,588 |
| Road maintenance and improvements | 0 | 0 | 56,623,985 | 0 | 14,872,311 | 71,496,296 |
| Parks and recreation | 0 | 0 | 0 | 0 | 12,326,833 | 12,326,833 |
| Bond covenants or debt service | 0 | 0 | 966,340 | 0 | 5,059,277 | 6,025,617 |
| Tourism promotion and development | 0 | 0 | 0 | 0 | 24,892,618 | 24,892,618 |
| General capital facilities | 0 | 0 | 0 | 0 | 1,130,696 | 1,130,696 |
| Court records and judicial | 0 | 0 | 0 | 0 | 184,136 | 184,136 |
| Building code compliance | 0 | 0 | 0 | 0 | 3,091,011 | 3,091,011 |
| Law enforcement | 0 | 0 | 0 | 0 | 2,138,045 | 2,138,045 |
| Mosquito control | 0 | 0 | 0 | 0 | 3,070,614 | 3,070,614 |
| Libraries | 0 | 0 | 0 | 0 | 6,864,451 | 6,864,451 |
| Fines and court costs | 0 | 0 | 0 | 0 | 2,512,683 | 2,512,683 |
| Housing and human services | 0 | 0 | 0 | 221,302 | 1,507,821 | 1,729,123 |
| Total restricted fund balance | \$ 0 | \$ 20,013,541 | \$ 68,006,580 | \$ 221,302 | \$ 83,746,554 | \$ 171,987,977 |
| Committed: | | | | | | |
| General capital facilities | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 3,707,120 | \$ 3,707,120 |
| Total committed fund balance | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 3,707,120 | \$ 3,707,120 |
| Assigned: | | | | | | |
| Road maintenance and improvements | \$ 0 | \$ 0 | \$ 1,333,431 | \$ 0 | \$ 0 | \$ 1,333,431 |
| Ambulance services | 0 | 732,868 | 0 | 0 | 0 | 732,868 |
| Parks and recreation | 3,601,837 | 0 | 0 | 0 | 0 | 3,601,837 |
| Emergency management | 44,749 | 0 | 0 | 0 | 0 | 44,749 |
| Court and judicial | 258,787 | 0 | 0 | 0 | 0 | 258,787 |
| Emergency communications | 1,542,961 | 0 | 0 | 0 | 0 | 1,542,961 |
| Permitting and engineering | 1,598,123 | 0 | 0 | 0 | 0 | 1,598,123 |
| Environment | 336,265 | 0 | 0 | 0 | 0 | 336,265 |
| Airport | 282,906 | 0 | 0 | 0 | 0 | 282,906 |
| Housing and human services | 272,471 | 0 | 0 | 0 | 0 | 272,471 |
| Total assigned fund balance | \$ 7,938,099 | \$ 732,868 | \$ 1,333,431 | \$ 0 | \$ 0 | \$ 10,004,398 |
| Unassigned fund balance | \$ 21,077,043 | \$ 0 | \$ 0 | \$ (7,992,653) | \$ 0 | \$ 13,084,390 |
| Total fund balances | \$ 31,952,736 | \$ 22,082,825 | \$ 69,377,644 | \$ (7,713,553) | \$ 88,924,748 | \$ 204,624,400 |

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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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, 2015, 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 .55% to .71%.

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 125.31 and 218.415, Florida Statutes. This allows the County to invest in the State Board of Administration, State of Florida, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, Corporate Notes, Commercial Paper, Municipal Bonds and time deposits or savings accounts of financial institutions under Federal and State regulation. Obligations of the different agencies of the Federal Government include fixed rate mortgage-backed securities.

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

The SBA's Florida Prime, formerly the LGIP pool, is considered a Securities and Exchange Commission (SEC) "2a7-like" fund, with the fair value of the investment equal to the account balance. A 2a7-like fund is not registered with the SEC as an investment company, but has a policy that it operates in a manner consistent with SEC's Rule 2a7 of The Investment Company Act of 1940, the rules governing money market funds. Thus, the pool operates essentially as a money market fund, but is classified as an external investment pool. The weighted average days to maturity of Florida Prime was 29 days, as of September 30, 2015. On September 30, 2015 the County had \$25,709,458 invested in Florida Prime.

Custodial Risk

The bank amount of the County's demand deposits was \$80,486,155 at September 30, 2015. The demand deposits are insured by the FDIC up to \$250,000 per entity. Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Deposits Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the County pursuant to Section 280.08, Florida Statutes. Corporate Notes, Commercial Paper, Municipal bonds, U.S. Treasury notes and all federal agency obligations are held by the County's agent in the County's name.

Credit Risk

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

Credit quality risk results from the potential default of investments that are not financially sound. The County's policy requires that Corporate Notes must have a rating, of at least, in the category "A" by Moody's and "A" by Standard & Poor's. Commercial Paper must have a rating of, at least, "Prime 1" by Moody's and "A-1" by Standard & Poor's. The Corporate Notes currently held in the portfolio have a Standard & Poor's rating of A and the Commercial Paper has an A-1 rating by Standard & Poor's. The credit quality of the federal agency securities held by the County is AA+ rated by Standard & Poor's. The credit quality of the municipal bond held by the County is AA rated by Standard & Poor's. The Local Government Surplus Funds Trust Investment Pool (Florida Prime) was rated AAAM by Standard and Poor's at September 30, 2015.

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 1.05 years.

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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As of September 30, 2015, 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 | \$ 46,744,582 | \$ 6,038,622 | \$ 19,035,122 | \$ 21,670,838 | \$ 0 |
| Commercial Paper | 11,709,856 | 11,709,856 | 0 | 0 | 0 |
| Municipal Bonds | 5,817,534 | 4,816,733 | 1,000,801 | 0 | 0 |
| Federal Farm Credit Bank | 10,003,900 | 10,003,900 | 0 | 0 | 0 |
| Federal Home Loan Bank | 39,688,100 | 28,968,360 | 10,719,740 | 0 | 0 |
| Federal Home Loan Mortgage Corp. | 9,378,025 | 0 | 9,378,025 | 0 | 0 |
| Federal National Mortgage Association | 9,577,605 | 5,065,250 | 2,461,001 | 0 | 2,051,354 |
| U.S. Treasury Bonds/Notes | 94,923,071 | 15,486,086 | 38,217,046 | 41,219,939 | 0 |
| Money Market Accounts | 65,750,212 | 65,750,212 | 0 | 0 | 0 |
| Certificates of Deposit | 25,132,040 | 25,132,040 | 0 | 0 | 0 |
| Total | \$ 318,724,925 | \$ 172,971,059 | \$ 80,811,735 | \$ 62,890,777 | \$ 2,051,354 |

The carrying amount of the discretely presented component units' deposits with financial institutions was \$6,662,396 and the bank balance was \$6,662,521, which is insured by FDIC or collateralized with securities held by the State Treasurer in accordance with Chapter 280, Florida Statutes. On September 30, 2015 the component units had \$70,303 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 16 years. The fair value of the component units Government National Mortgage Association and Federal National Mortgage Association securities on September 30, 2015 was \$863,597.

6. **Receivables** - The accounts receivable for the governmental activities of \$12,960,107 are net of allowances for doubtful accounts of \$3,372,864. Emergency Services charges are net of mandatory contractual adjustments in the amount of \$6,709,792 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 \$1,035,076 are net of allowances for doubtful accounts of \$110,676.

7. **Prepaid items** - The prepaid items include \$1,348,997 of premiums on insurance policies, and \$2,074,688 of maintenance/service agreements and other prepayments.

8. **Capital Assets**

Capital assets activity for the year ended September 30, 2015, was as follows:

| Primary Government | Oct. 1, 2014 | Increases | Decreases | Sept. 30, 2015 |
|---|-----------------------|------------------------|---------------------|-----------------------|
| Governmental Activities: | | | | |
| Capital assets not depreciated: | | | | |
| Land | \$ 249,830,737 | \$ 1,286,898 | \$ 46,500 | \$ 251,071,135 |
| Easements | 282,305 | 0 | 0 | 282,305 |
| Construction in progress | 30,043,242 | 30,134,234 | 9,049,237 | 51,128,239 |
| Total assets not depreciated | <u>\$ 280,156,284</u> | <u>\$ 31,421,132</u> | <u>\$ 9,095,737</u> | <u>\$ 302,481,679</u> |
| Capital assets depreciated: | | | | |
| Buildings and structures | \$ 305,101,866 | \$ 4,425,840 | \$ 0 | \$ 309,527,706 |
| Infrastructure | 223,751,106 | 1,694,861 | 0 | 225,445,967 |
| Improvements to land | 69,575,680 | 691,680 | 6,033 | 70,261,327 |
| Improvements other than buildings | 39,164,852 | 1,212,811 | 10,646 | 40,367,017 |
| Machinery and equipment | 186,464,847 | 15,462,067 | 8,251,871 | 193,675,043 |
| Total assets depreciated | <u>\$ 824,058,351</u> | <u>\$ 23,487,259</u> | <u>\$ 8,268,550</u> | <u>\$ 839,277,060</u> |
| Less accumulated depreciation: | | | | |
| Buildings and structures | \$ 87,096,708 | \$ 8,253,087 | \$ 0 | \$ 95,349,795 |
| Infrastructure | 61,395,581 | 6,039,672 | 0 | 67,435,253 |
| Improvements to land | 21,205,123 | 3,407,410 | 6,033 | 24,606,500 |
| Improvements other than buildings | 18,861,749 | 2,529,623 | 10,456 | 21,380,916 |
| Machinery and equipment | 126,510,865 | 15,806,451 | 8,003,371 | 134,313,945 |
| Total accumulated depreciation | <u>\$ 315,070,026</u> | <u>\$ 36,036,243</u> | <u>\$ 8,019,860</u> | <u>\$ 343,086,409</u> |
| Total depreciable capital assets, net | <u>\$ 508,988,325</u> | <u>\$ (12,548,984)</u> | <u>\$ 248,690</u> | <u>\$ 496,190,651</u> |
| Total governmental activities capital assets, net | <u>\$ 789,144,609</u> | <u>\$ 18,872,148</u> | <u>\$ 9,344,427</u> | <u>\$ 798,672,330</u> |

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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| | Oct. 1, 2014 | Adjustments | Oct. 1, 2014 adjusted | Increases | Decreases | Sept. 30, 2015 |
|--|----------------|----------------|--------------------------|---------------|--------------|----------------|
| Business-type Activities: | | | | | | |
| Capital assets not depreciated: | | | | | | |
| Land | \$ 37,465,919 | \$ 0 | \$ 37,465,919 | \$ 41,022 | \$ 0 | \$ 37,506,941 |
| Easements | 0 | 0 | 0 | 4,260 | 0 | 4,260 |
| Goodwill | 940,130 | 0 | 940,130 | 0 | 0 | 940,130 |
| Construction in progress | 18,474,537 | 0 | 18,474,537 | 12,836,901 | 5,122,858 | 26,188,580 |
| Total assets not depreciated | \$ 56,880,586 | \$ 0 | \$ 56,880,586 | \$ 12,882,183 | \$ 5,122,858 | \$ 64,639,911 |
| Capital assets depreciated: | | | | | | |
| Buildings and structures | \$ 53,412,651 | \$ 0 | \$ 53,412,651 | \$ 618,213 | \$ 0 | \$ 54,030,864 |
| Infrastructure | 20,150,551 | 0 | 20,150,551 | 0 | 0 | 20,150,551 |
| Improvements to land | 11,488,916 | (2,237,552) | 9,251,364 | 0 | 425,000 | 8,826,364 |
| Improvements other than buildings | 273,119,526 | 2,237,552 | 275,357,078 | 5,340,156 | 0 | 280,697,234 |
| Machinery and equipment | 55,383,988 | 0 | 55,383,988 | 6,386,918 | 4,056,334 | 57,714,572 |
| Total assets depreciated | \$ 413,555,632 | \$ 0 | \$ 413,555,632 | \$ 12,345,287 | \$ 4,481,334 | \$ 421,419,585 |
| Less accumulated depreciation: | | | | | | |
| Buildings and structures | \$ 22,482,606 | \$ 0 | \$ 22,482,606 | \$ 1,212,881 | \$ 0 | \$ 23,695,487 |
| Infrastructure | 3,844,344 | 7,271,269 | 11,115,613 | 434,855 | 0 | 11,550,468 |
| Improvements to land | 7,554,943 | (502,839) | 7,052,104 | 338,365 | 417,918 | 6,972,551 |
| Improvements other than buildings | 175,251,572 | 1,273,737 | 176,525,309 | 5,181,781 | 0 | 181,707,090 |
| Machinery and equipment | 34,204,424 | 0 | 34,204,424 | 5,674,977 | 3,776,898 | 36,102,503 |
| Total accumulated depreciation | \$ 243,337,889 | \$ 8,042,167 | \$ 251,380,056 | \$ 12,842,859 | \$ 4,194,816 | \$ 260,028,099 |
| Total depreciable capital assets, net | \$ 170,217,743 | \$ (8,042,167) | \$ 162,175,576 | \$ (497,572) | \$ 286,518 | \$ 161,391,486 |
| Total business-type activities capital assets, net | \$ 227,098,329 | \$ (8,042,167) | \$ 219,056,162 | \$ 12,384,611 | \$ 5,409,376 | \$ 226,031,397 |

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

Governmental Activities:

| | |
|------------------------|----------------------|
| General government | \$ 6,515,232 |
| Public safety | 9,827,998 |
| Physical environment | 910,921 |
| Transportation | 7,275,669 |
| Economic environment | 227,147 |
| Human services | 394,173 |
| Culture and recreation | 9,775,407 |
| Internal service funds | 517,090 |
| Total | <u>\$ 35,443,637</u> |

The increase in accumulated depreciation for governmental activities of \$36,036,243 differs from depreciation expense of \$35,443,637 because of accumulated depreciation in the amount of \$592,606 associated with assets transferred from business-type activities.

Business-type Activities:

| | |
|-------------------------------------|----------------------|
| Solid Waste Management Department | \$ 4,001,728 |
| Water Resources Department | 4,932,269 |
| Barefoot Bay Water & Sewer District | 943,370 |
| Space Coast Area Transit | 2,425,672 |
| Brevard County Golf Courses | 460,751 |
| Total | <u>\$ 12,763,790</u> |

The increase in accumulated depreciation for business-type activities of \$12,842,859 differs from depreciation expense of \$12,763,790 because of accumulated depreciation in the amount of \$79,069 associated with assets transferred from governmental activities.

BREVARD COUNTY, FLORIDA
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| Component Units | Oct. 1, 2014 | Increases | Decreases | Sept. 30, 2015 |
|---|---------------|---------------|--------------|----------------|
| Titusville-Cocoa Airport Authority | | | | |
| Capital assets not depreciated: | | | | |
| Land | \$ 14,204,818 | \$ 288,781 | \$ 0 | \$ 14,493,599 |
| Construction in progress | 10,026,899 | 4,982,462 | 9,144,753 | 5,864,608 |
| Total assets not depreciated | \$ 24,231,717 | \$ 5,271,243 | \$ 9,144,753 | \$ 20,358,207 |
| Capital assets depreciated: | | | | |
| Buildings and structures | \$ 22,080,654 | \$ 3,139,539 | \$ 0 | \$ 25,220,193 |
| Improvements to land | 1,614,241 | 0 | 0 | 1,614,241 |
| Improvements other than buildings | 23,068,513 | 6,226,738 | 0 | 29,295,251 |
| Machinery and equipment | 3,720,690 | 13,466 | 0 | 3,734,156 |
| Total assets depreciated | \$ 50,484,098 | \$ 9,379,743 | \$ 0 | \$ 59,863,841 |
| Less accumulated depreciation: | | | | |
| Buildings and structures | \$ 8,123,426 | \$ 599,334 | \$ 0 | \$ 8,722,760 |
| Improvements to land | 334,680 | 47,445 | 0 | 382,125 |
| Improvements other than buildings | 9,569,897 | 719,915 | 0 | 10,289,812 |
| Machinery and equipment | 2,379,144 | 332,621 | 0 | 2,711,765 |
| Total accumulated depreciation | \$ 20,407,147 | \$ 1,699,315 | \$ 0 | \$ 22,106,462 |
| Total depreciable capital assets, net | \$ 30,076,951 | \$ 7,680,428 | \$ 0 | \$ 37,757,379 |
| Total capital assets, net | \$ 54,308,668 | \$ 12,951,671 | \$ 9,144,753 | \$ 58,115,586 |

9. Construction and Other Significant Commitments - At September 30, 2015, the County had several uncompleted construction contracts and other contractual commitments as follows:

| Project Title | Remaining committed |
|-------------------------|---------------------|
| Government facilities | \$ 843,658 |
| Road projects | 21,651,701 |
| Lagoon dredging project | 560,458 |
| Solid waste | 19,856,901 |
| Utilities services | 8,358,527 |
| Transit services | 2,110,345 |
| Total | \$ 53,381,590 |

The County executed agreements to accept the donation of land, public safety facilities, and cash in return for reimbursing the developer from future impact fees generated by building activity. The cash is to build a causeway interchange and improve the transportation network. On March 5, 2009, the County enacted an ordinance establishing a moratorium on transportation impact fees. That moratorium has been extended several times, since then, and is scheduled to be repealed on December 31, 2016, unless a majority vote of the Board of County Commissioners determines that the economic conditions of the County warrant continuation of the moratorium. Although not obligated, the County reasonably expects to assess all other impact fees. Total cost for the public safety facilities and contribution relating to the roadways construction project was \$2,320,183 and \$6,765,736, respectively.

The anticipated future payments are as follows:

| Year Ended September 30 | Amount |
|-----------------------------------|--------------|
| 2016 | \$ 69,000 |
| 2017 | 399,000 |
| 2018 | 399,000 |
| 2019 | 399,000 |
| 2020 | 399,000 |
| 2021-2025 | 1,995,000 |
| 2026-2030 | 1,995,000 |
| 2031-2035 | 1,995,000 |
| 2036-2040 | 354,999 |
| 2041-2044 | 301,201 |
| Total anticipated future payments | \$ 8,306,200 |

BREVARD COUNTY, FLORIDA
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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 \$3,519,646 for fiscal year 2015.

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 \$19.3 million of incentive commitments that involve manufacturing and aerospace facilities. The incentive payments will be issued in financial installments as construction, job creation or other performance measures are attained. The total amount paid to the Zone by the County amounted to \$3,231,392 for fiscal year 2015.

10. Interfund Receivable and Payable Balances - The composition of interfund balances as of September 30, 2015, is as follows:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|--|-------------------------------------|----------------------|
| General Fund | Emergency Services | \$ 30 |
| | Grants | 808,117 |
| | Other Governmental Funds | 1,191,690 |
| | Other Business-type Activities | 198,750 |
| Emergency Services | General Fund | 54,932 |
| | Grants | 368,615 |
| Transportation Trust | Grants | 2,968,875 |
| Nonmajor Governmental Funds | General Fund | 374,925 |
| | Grants | 7,845,831 |
| | Other Governmental Funds | 1,315 |
| Solid Waste Management Department | General Fund | 34,960 |
| Water Resources Department | General Fund | 69,923 |
| | Barefoot Bay Water & Sewer District | 63,584 |
| Internal Service | General Fund | 2,784,361 |
| Fiduciary | General Fund | 1,441 |
| Total Interfund Receivables and Payables | | <u>\$ 16,767,349</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 2016.

11. Advances To and From Other Funds - The General Fund advance from other funds represents a loan from the Solid Waste Management (\$207,077), Water Resources (\$414,163) and Surface Water Improvement (\$207,024) funds for construction of an administrative office building, the \$828,264 balance is not scheduled to be paid in fiscal year 2016. The Barefoot Bay Water & Sewer District advance from other funds includes a loan from the Water Resources Department (\$540,000) for the acquisition and interconnection cost of the Snug Harbor Utility System. The loan will be repaid from future revenues of the system.
12. Solid Waste Landfill Closure and Postclosure Care Costs - The County owns and operates the Sarno Road Class III landfill and the Central Disposal Facility landfill. Federal and State laws require the County to close the landfills once their capacity is reached, and to monitor and maintain the sites for thirty subsequent years. The County recognizes a portion of the closure and postclosure care costs in each operating period even though actual disbursements will not occur until the landfills are closed. The amount recognized each year to date is based on the landfill's capacity used as of the 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, 2015, the estimated costs of closure and postclosure care for the landfills increased by \$1,724,582.

BREVARD COUNTY, FLORIDA
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The following information is for the year ending September 30, 2015:

| | <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 | 79% | \$12,863,802 | \$3,500,562 | 7 |
| Central Disposal | 23,435,953 cu/yds | 91% | \$34,510,750 | \$3,647,452 | 3 |

By state law, the County is required to accumulate assets needed for the actual payout of the closure and postclosure care costs prior to the closing of a landfill. Assets of \$31,933,202 have been restricted for this purpose within the Solid Waste Management Department Fund.

13. Leases

- A. The County has entered into numerous capital lease arrangements for the purpose of acquiring operating and office equipment. The future minimum lease payments at September 30, 2015, are as follows:

| <u>Year Ended</u> <u>September 30</u> | <u>Governmental</u> <u>Activities</u> |
|--|--|
| 2016 | \$ 238,275 |
| 2017 | 47,089 |
| Total minimum lease payments | \$ 285,364 |
| Less amount representing interest | 11,090 |
| Present value of minimum lease payments | <u>\$ 274,274</u> |

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

| | <u>Governmental</u> <u>Activities</u> |
|--------------------------|--|
| Machinery and equipment | \$ 907,899 |
| Accumulated depreciation | \$ 476,248 |

- B. The County leases office facilities, equipment and vehicles, under noncancelable operating leases and cancelable operating leases. Total cost for noncancelable operating leases and cancelable operating leases were \$985,643, and \$344,783, respectively, for the year ended September 30, 2015. The future minimum lease payments for noncancelable operating leases are as follows:

| <u>Year Ended</u> <u>September 30</u> | <u>Amount</u> |
|--|---------------------|
| 2016 | \$ 821,233 |
| 2017 | 498,082 |
| 2018 | 348,512 |
| 2019 | 295,838 |
| 2020 | 220,656 |
| 2021-2025 | 556,288 |
| 2026-2030 | 105,487 |
| 2031 | 5,716 |
| Total minimum lease payable | <u>\$ 2,851,812</u> |

14. Bonded and Other Indebtedness

A. Business-type Activities

\$25,475,000 2014 Water and Wastewater Utility Revenue Bonds – serial bonds due in annual installments of \$490,000 to \$1,205,000 through September 1, 2040; interest at 2.00% 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.

\$25,055,000

BREVARD COUNTY, FLORIDA
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| | |
|---|---------------------|
| <p>\$17,135,000 2000 Utility Bonds (Barefoot Bay Utility System) - term bonds maturing October 1, 2018, are subject to mandatory redemption in amounts of \$530,000 to \$615,000 from October 1, 2015, 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.</p> | <p>\$11,490,000</p> |
| <p>\$1,547,000 2009A Subordinated Sales Tax Revenue Bond - due in annual installments of \$62,000 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.</p> | <p>\$1,279,000</p> |
| <p>\$1,035,000 Commercial Paper - issued as part of the Florida Local Government Finance Commission Pooled commercial paper notes program; outstanding balance due at various dates; interest, which is variable averaged 1.23% for the year ended September 30, 2015; this variable rate is based on the underlying commercial paper that is purchased during the fiscal year, the interest rate ranged from 1.07% to 1.29%; issued to fund construction of Savannahs Golf Course irrigation project; payable from the operations of the County's golf courses.</p> | <p>\$828,000</p> |
| <p>B. <u>Governmental Activities</u></p> | |
| <p>\$26,335,000 2013 Limited Ad Valorem Tax Refunding Bond - due in annual installments of \$2,435,000 to \$2,835,000 through September 1, 2024, interest at 1.93%; issued to refund all the outstanding 2005 Limited Ad Valorem Tax Bonds as of September 1, 2015, and pay certain costs of issuances; payable from ad valorem tax revenues.</p> | <p>\$23,640,000</p> |
| <p>\$11,300,000 2007 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$560,000 to \$775,000 through July 1, 2024; interest at 4.00% to 4.30%; term bonds maturing July 1, 2026, are subject to mandatory redemption in the amounts of \$810,000 and \$845,000 from July 1, 2025, to final maturity; interest at 4.375%; issued to finance the acquisition, development and improvement of certain parks and recreational facilities within the geographical boundary of North Brevard; payable from ad valorem tax revenues.</p> | <p>\$7,615,000</p> |
| <p>\$9,465,000 2011 North Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - bonds due in annual installments of \$920,000 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.</p> | <p>\$5,945,000</p> |
| <p>\$57,565,000 2007 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$2,010,000 to \$3,140,000 through July 1, 2026; interest at 4.00% to 5.00%; issued to finance the acquisition, development and improvement of certain parks and recreational facilities within the geographical boundary of South Brevard; payable from ad valorem tax revenues.</p> | <p>\$27,770,000</p> |
| <p>\$27,850,000 2011 South Brevard Recreation Special District, Limited Ad Valorem Tax Bonds - bonds due in annual installments of \$2,715,000 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>\$17,505,000</p> |

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| | |
|--|---------------------|
| <p>\$13,110,000 2007 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds - serial bonds due in annual installments of \$435,000 to \$665,000 through July 1, 2026; interest at 4.00% to 5.00%; issued to finance the acquisition, development and improvement of certain parks and recreational facilities within the Merritt Island Recreation Municipal Service Taxing Unit; payable from ad valorem tax revenues.</p> | <p>\$5,990,000</p> |
| <p>\$8,075,000 2011 Merritt Island Recreation Municipal Service Taxing Unit, Limited Ad Valorem Tax Bonds - bonds due in annual installments of \$790,000 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>\$5,075,000</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>\$12,350,000</p> |
| <p>\$6,787,000 2009B Subordinated Sales Tax Refunding Revenue Bond - due in annual installments of \$360,000 to \$731,000 through December 1, 2018; interest at 2.93%; issued to currently refund the Second Guaranteed Entitlement Revenue Bonds, Series 1996, the Guaranteed Entitlement Revenue Bonds, Series 1999, and the Sales Tax Refunding Revenue Bonds, Series 1997; payable from the half-cent sales tax revenues distributed to the County. \$1,600,580 of the outstanding principal and any associated interest will be paid from revenues from the operation of the County's golf courses.</p> | <p>\$1,834,000</p> |
| <p>\$19,550,000 2010 Subordinated Sales Tax Refunding Revenue Bonds - 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. \$522,143 of the outstanding principal and any associated interest will be paid from revenues from the operation of the County's golf courses.</p> | <p>\$8,295,000</p> |
| <p>\$9,475,000 2010 Non-Ad Valorem Revenue Note, - due in annual installments of \$950,000 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>\$6,145,000</p> |
| <p>\$6,000,000 2012 Non-Ad Valorem Revenue Note - due in annual installments of \$250,000 to \$390,000 through December 1, 2031; interest at 2.78%; issued to finance the cost of various capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.</p> | <p>\$5,335,000</p> |
| <p>\$15,730,000 2014 Non-Ad Valorem Revenue Note - due in semi-annual installments of \$261,632 to \$696,551 through November 1, 2032; interest at 3.52%; issued to finance various energy, water and wastewater performance capital improvements within the County and pay certain costs of issuance; payable from non-ad valorem revenues.</p> | <p>\$15,730,000</p> |
| <p>\$25,525,000 2005 Constitutional Fuel Tax Revenue Refunding Bonds - due in annual installments of \$2,555,000 to \$2,990,000 through August 1, 2020; interest at 4.00% to 4.125; issued to advance refund the outstanding Constitutional Fuel Tax Revenue Bonds, Series 2000 maturing on and after August 1, 2011; payable from constitutional fuel tax revenues.</p> | <p>\$13,855,000</p> |

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\$48,435,000 2007 Local Option Fuel Tax Revenue Bonds - term bonds maturing August 1, 2029, are subject to mandatory redemption in the amounts of \$3,410,000 to \$3,760,000 from August 1, 2027, to final maturity; interest at 5.00%; term bonds maturing August 1, 2032, are subject to mandatory redemption in the amounts of \$3,945,000 to \$4,350,000 from August 1, 2030, to final maturity; interest at 5.00%; term bonds maturing August 1, 2037, are subject to mandatory redemption in the amounts of \$4,570,000 to \$5,555,000 from August 1, 2033, to final maturity; interest at 5.00%; issued to finance the cost of certain transportation projects within the County; payable from local option fuel tax revenues. \$48,435,000

\$32,025,000 2014 Local Option Fuel Tax Refunding Revenue Bond - due in annual installments of \$2,500,000 to \$3,280,000 through August 1, 2026, interest at 2.77%; issued to partially advance refund the Local Option Fuel Tax Revenue Bonds, Series 2005, and pay certain costs of issuances: payable from local option fuel tax revenues. \$31,635,000

\$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 1.23% for the year ended September 30, 2015; this variable rate is based on the underlying commercial paper that is purchased during the fiscal year, the interest rate ranged from 1.07% to 1.29%; 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. \$23,642,000

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. \$1,939,470

\$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. \$24,394

D. Summary of Long-term Liabilities

The long-term liability activity for the year ended September 30, 2015, was as follows:

| | Oct. 1, 2014 | Adjustment | Oct. 1, 2014 adjusted | Increase | Decrease | Sept. 30, 2015 | Due within one year |
|---------------------------------|----------------|----------------|--------------------------|---------------|----------------|----------------|------------------------|
| Governmental activities: | | | | | | | |
| Bonds payable: | | | | | | | |
| General obligation bonds | \$ 103,065,000 | \$ 0 | \$ 103,065,000 | \$ 0 | \$ 9,525,000 | \$ 93,540,000 | \$ 9,865,000 |
| Revenue bonds | 122,994,712 | 0 | 122,994,712 | 0 | 8,713,435 | 114,281,277 | 7,247,729 |
| Deferred amounts: | | | | | | | |
| Premiums | 2,132,425 | 0 | 2,132,425 | 0 | 305,422 | 1,827,003 | 0 |
| Total bonds payable | \$ 228,192,137 | \$ 0 | \$ 228,192,137 | \$ 0 | \$ 18,543,857 | \$ 209,648,280 | \$ 17,112,729 |
| Revenue notes | 28,375,000 | 0 | 28,375,000 | 0 | 1,165,000 | 27,210,000 | 1,723,903 |
| Commercial paper notes | 20,583,000 | 0 | 20,583,000 | 4,100,000 | 1,041,000 | 23,642,000 | 0 |
| Leases payable | 378,312 | 0 | 378,312 | 119,375 | 223,413 | 274,274 | 229,586 |
| Accrued compensated absences | 28,019,354 | 0 | 28,019,354 | 4,437,846 | 4,507,980 | 27,949,220 | 3,206,282 |
| Net pension liability | 0 | 175,129,757 | 175,129,757 | 22,411,599 | 44,916,068 | 152,625,288 | 0 |
| OPEB liability | 22,195,312 | 0 | 22,195,312 | 2,440,373 | 3,649,267 | 20,986,418 | 0 |
| Claims and judgments | 17,148,246 | 0 | 17,148,246 | 52,545,732 | 51,563,246 | 18,130,732 | 8,629,025 |
| Intergovernmental payable | 259,924 | 0 | 259,924 | 0 | 86,642 | 173,282 | 86,641 |
| Governmental activities | | | | | | | |
| long-term liabilities | \$ 345,151,285 | \$ 175,129,757 | \$ 520,281,042 | \$ 86,054,925 | \$ 125,696,473 | \$ 480,639,494 | \$ 30,988,166 |

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| | Oct. 1, 2014 | Adjustment | Oct. 1, 2014 adjusted | Increase | Decrease | Sept. 30, 2015 | Due within one year |
|---|---------------|---------------|--------------------------|---------------|--------------|----------------|------------------------|
| Business-type activities: | | | | | | | |
| Bonds payable: | | | | | | | |
| Revenue bonds | \$ 16,278,288 | \$ 0 | \$ 16,278,288 | \$ 25,475,000 | \$ 1,806,565 | \$ 39,946,723 | \$ 1,705,271 |
| Deferred amounts: | | | | | | | |
| Discounts | (31,729) | 0 | (31,729) | 0 | (3,562) | (28,167) | 0 |
| Premiums | 0 | 0 | 0 | 1,454,761 | 79,412 | 1,375,349 | 0 |
| Total bonds payable | \$ 16,246,559 | \$ 0 | \$ 16,246,559 | \$ 26,929,761 | \$ 1,882,415 | \$ 41,293,905 | \$ 1,705,271 |
| Commercial paper notes | 828,000 | 0 | 828,000 | 0 | 0 | 828,000 | 0 |
| Landfill closure and postclosure care | 33,661,491 | 12,557,152 | 46,218,643 | 1,724,582 | 568,673 | 47,374,552 | 0 |
| Accrued compensated absences | 1,825,304 | 0 | 1,825,304 | 121,970 | 209,522 | 1,737,752 | 207,108 |
| Net pension liability | 0 | 9,781,827 | 9,781,827 | 1,248,998 | 2,505,983 | 8,524,842 | 0 |
| OPEB liability | 2,572,250 | 0 | 2,572,250 | 429,893 | 642,850 | 2,359,293 | 0 |
| Business-type activities long-term liabilities | \$ 55,133,604 | \$ 22,338,979 | \$ 77,472,583 | \$ 30,455,204 | \$ 5,809,443 | \$ 102,118,344 | \$ 1,912,379 |

| | Oct. 1, 2014 | Adjustment | Oct. 1, 2014 adjusted | Increase | Decrease | Sept. 30, 2015 | Due within one year |
|--|--------------|------------|--------------------------|--------------|--------------|----------------|------------------------|
| Component units: | | | | | | | |
| Notes payable | \$ 834,342 | \$ 0 | \$ 834,342 | \$ 2,000,000 | \$ 870,478 | \$ 1,963,864 | \$ 112,418 |
| Accrued compensated absences | 115,303 | 0 | 115,303 | 85,378 | 90,552 | 110,129 | 110,129 |
| Net pension liability | 0 | 392,504 | 392,504 | 379,822 | 89,550 | 682,776 | 0 |
| OPEB liability | 124,631 | 0 | 124,631 | 11,104 | 11,092 | 124,643 | 0 |
| Intergovernmental payable | 0 | 0 | 0 | 50,000 | 0 | 50,000 | 0 |
| Component units long-term liabilities | \$ 1,074,276 | \$ 392,504 | \$ 1,466,780 | \$ 2,526,304 | \$ 1,061,672 | \$ 2,931,412 | \$ 222,547 |

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 90% and the Emergency Services Fund normally liquidates 4%. The remaining 6% 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 Bonded and Other Indebtedness for additional information.

The annual requirements to amortize all debt outstanding at September 30, 2015, 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 |
| 2016 | \$ 9,865,000 | \$ 3,150,480 | \$ 7,247,729 | \$ 4,270,702 | \$ 1,953,489 | \$ 1,155,566 |
| 2017 | 10,155,000 | 2,832,723 | 7,240,500 | 4,052,525 | 1,826,396 | 1,096,149 |
| 2018 | 10,490,000 | 2,509,237 | 7,467,326 | 3,830,542 | 10,635,555 | 977,008 |
| 2019 | 10,805,000 | 2,195,678 | 7,680,722 | 3,601,348 | 16,798,128 | 804,327 |
| 2020 | 11,125,000 | 1,872,105 | 7,445,000 | 3,370,830 | 2,018,493 | 629,886 |
| 2021-2025 | 36,450,000 | 4,787,504 | 23,360,000 | 14,504,282 | 6,660,732 | 2,417,854 |
| 2026-2030 | 4,650,000 | 223,894 | 20,100,000 | 11,180,068 | 7,152,180 | 1,359,917 |
| 2031-2035 | 0 | 0 | 22,895,000 | 6,256,750 | 4,081,301 | 199,692 |
| 2036-2040 | 0 | 0 | 10,845,000 | 820,000 | 0 | 0 |
| Total | \$ 93,540,000 | \$ 17,571,621 | \$ 114,281,277 | \$ 51,887,047 | \$ 51,126,274 | \$ 8,640,399 |

BREVARD COUNTY, FLORIDA
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| Year Ending September 30 | Business-type activities | | | | Component units | |
|-----------------------------|--------------------------|---------------|------------------|-----------|------------------|------------|
| | Revenue Bonds | | Commercial Paper | | Notes and Leases | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2016 | \$ 1,705,271 | \$ 1,655,437 | \$ 0 | \$ 10,184 | \$ 112,418 | \$ 71,493 |
| 2017 | 1,604,500 | 1,598,749 | 0 | 10,184 | 116,781 | 67,130 |
| 2018 | 1,663,674 | 1,537,251 | 828,000 | 4,381 | 117,945 | 62,811 |
| 2019 | 1,725,278 | 1,468,225 | 0 | 0 | 115,942 | 58,504 |
| 2020 | 1,279,000 | 1,404,428 | 0 | 0 | 120,204 | 54,242 |
| 2021-2025 | 7,360,000 | 6,025,523 | 0 | 0 | 673,946 | 198,284 |
| 2026-2030 | 9,204,000 | 4,158,947 | 0 | 0 | 706,628 | 63,841 |
| 2031-2035 | 4,530,000 | 2,837,406 | 0 | 0 | 0 | 0 |
| 2036-2040 | 5,530,000 | 1,837,600 | 0 | 0 | 0 | 0 |
| 2041-2045 | 5,345,000 | 544,800 | 0 | 0 | 0 | 0 |
| Total | \$ 39,946,723 | \$ 23,068,366 | \$ 828,000 | \$ 24,749 | \$ 1,963,864 | \$ 576,305 |

15. Intergovernmental payable – During fiscal year 2012, the County entered into a payment arrangement to reimburse for past Medicaid claims in the amount of \$433,207. The outstanding balance as of September 30, 2015 was \$173,282.

During fiscal year 2015, North Brevard Economic Development Zone, a component unit, entered into an interlocal agreement with the City of Titusville to provide funding for a project in the amount of \$50,000. The outstanding balance as of September 30, 2015 was \$50,000.

16. Current and Advance Refunding of Debt

- A. During fiscal year ended September 30, 2013, the County completed a current refunding of the outstanding Sales Tax Refunding and Improvement Revenue Bonds, Series 2003, and a partial advance refunding of the outstanding Sales Tax Revenue Bonds, Series 2005, to effect an overall reduction in debt service. The current and partial advance refunding was financed through sinking fund contribution and the issuance of \$13,435,000 Subordinated Sales Tax Refunding Revenue Bond, Series 2013. The net proceeds were deposited into an irrevocable escrow account and invested at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded bonds were defeased and the County's obligation on the refunded debt was satisfied. The refunding transaction has saved the County aggregate debt service savings of \$1,467,909, and will result in an economic gain or present value savings of \$1,296,637. During fiscal year 2013, the Sales Tax Refunding and Improvement Revenue Bonds, Series 2003, were fully retired. During fiscal year 2015, the Sales Tax Revenue Bonds, Series 2005, were fully retired.
- B. During fiscal year ended September 30, 2014, the County completed a partial advance refunding of the outstanding Local Option Fuel Tax Revenue Bonds, Series 2005, to effect an overall reduction in debt service. The partial advance refunding was financed through sinking fund contribution and the issuance of \$32,025,000 Local Option Fuel Tax Refunding Revenue Bond, Series 2014. The net proceeds were deposited into an irrevocable escrow account and invested at an amount sufficient for the payment of all principal, interest, and call premiums due on the refunded bonds. As a result, the respective liens of the refunded bonds were defeased and the County's obligation on the refunded debt was satisfied. The refunding transaction has saved the County aggregate debt service savings of \$2,825,955 and will result in an economic gain or present value savings of \$2,394,990. During fiscal year 2015, the Local Option Fuel Tax Revenue Bonds, Series 2005, were fully retired.
17. Bond Coverage - The County is required by bond resolutions to fix, establish and maintain such user rates that will always provide sufficient revenue for debt service, operations and maintenance, and all other reserve requirements pertinent to the bond issues within the affected Enterprise Funds. Where the bond resolution provides for more than one financial coverage test, the covenant shown is the most restrictive.

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The following tabulation indicates the degree of compliance with the bond resolution covenant in the Barefoot Bay Water & Sewer District and Water Resources Department at September 30, 2015. 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 & Sewer District | Water Resources Department |
|---|---|----------------------------------|
| Gross revenues available for compliance | \$ 3,706,409 | \$ 31,127,696 |
| Operating and maintenance expense | 2,100,221 | 20,004,495 |
| Amount of revenue over operating and maintenance expense | <u>\$ 1,606,188</u> | <u>\$ 11,123,201</u> |
| Debt coverage required | <u>\$ 1,225,595</u> | <u>\$ 1,512,407</u> |
| Percent coverage for the year ended September 30, 2015 | <u>131%</u> | <u>735%</u> |

18. 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, 2015, were:

| <u>Transfers Out</u> | <u>Transfers In</u> | <u>Amount</u> |
|-------------------------------------|-------------------------------------|----------------------|
| General Fund | Emergency Services | \$ 8,844,479 |
| | Brevard County Transportation Trust | 2,270,525 |
| | Grants | 9,564 |
| | Other Governmental Funds | 12,661,615 |
| | Other Business-type Activities | 2,492,531 |
| | Internal Service Funds | 1,450,014 |
| Emergency Services | General Fund | 815,475 |
| | Brevard County Transportation Trust | 11,728 |
| | Other Governmental Funds | 74,340 |
| | Internal Service Funds | 201,122 |
| Brevard County Transportation Trust | General Fund | 245,000 |
| | Emergency Services | 536 |
| | Other Governmental Funds | 400,000 |
| | Internal Service Funds | 82,656 |
| Other Governmental Funds | General Fund | 5,826,796 |
| | Brevard County Transportation Trust | 217,515 |
| | Grants | 56,627 |
| | Other Governmental Funds | 2,482,743 |
| | Internal Service Funds | 385,135 |
| Solid Waste Management Department | General Fund | 1,153,749 |
| | Other Governmental Funds | 76,662 |
| | Internal Service Funds | 133,014 |
| Water Resources Department | General Fund | 1,322,172 |
| | Emergency Services | 1,055 |
| | Other Governmental Funds | 224,447 |
| | Internal Service Funds | 73,839 |
| Barefoot Bay Water & Sewer District | General Fund | 102,712 |
| | Other Governmental Funds | 17,066 |
| Other Business-type Activities | General Fund | 191,119 |
| | Other Governmental Funds | 3,561 |
| Internal Service Funds | General Fund | 345,753 |
| Total Transfers | | <u>\$ 42,173,550</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.

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

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

The County has established a self-insured Employee Group Health Insurance Program to account for medical insurance claims of County employees, retirees and their covered dependents. Under this program, the fund provides the employee with coverage that meets or exceeds Minimum Essential Coverage (MEC) standards in accordance with federal mandates under the Patient Protection and Affordable Care Act (PPACA) for a large employer group health plan. Ongoing implementation of additional PPACA mandates will follow the timeline established for large employer group health plans through 2018. With the implementation of federal mandates removing annual and lifetime benefit caps from large employer group health plans in 2014, the County reinitiated Stop Loss / excess insurance coverage for its self-insured medical claims in the 2014 plan year. The County had self-insured this exposure since 2010. Stop Loss coverage has a specific deductible of \$600,000 per claim and an aggregating deductible of \$229,800 for the 2015 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 \$18,130,732 in the Risk Management fund, reported at September 30, 2015, 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 2014 and 2015 were:

| | <u>2014</u> | <u>2015</u> |
|------------------------------------|----------------------|----------------------|
| Beginning of fiscal year liability | \$ 16,715,817 | \$ 17,148,246 |
| Current year claims | 55,051,467 | 52,545,732 |
| Claims payments | <u>(54,619,038)</u> | <u>(51,563,246)</u> |
| Balance at fiscal year end | <u>\$ 17,148,246</u> | <u>\$ 18,130,732</u> |

The claims liability at September 30, 2015, has been calculated as follows:

| | |
|---|----------------------|
| Present value of estimated outstanding losses | \$ 19,213,962 |
| (estimated losses of \$19,889,634, discounted to reflect future investment earnings at 1.0%) | |
| Unallocated loss adjustment expenses (calculated at 7.5% of outstanding losses excluding medical insurance) | 1,135,934 |
| Estimated recoveries on settled claims | <u>(2,219,164)</u> |
| Claims liability at September 30, 2015 | <u>\$ 18,130,732</u> |

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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 | \$ 7,559 | \$ 1,874,993 | \$ 3,084,192 | \$ 2,992,805 | \$ 7,106,398 | \$ 15,065,947 |
| Capital assets, net of accumulated depreciation | 0 | 0 | 0 | 58,115,586 | 0 | 58,115,586 |
| Total assets | \$ 7,559 | \$ 1,874,993 | \$ 3,084,192 | \$ 61,108,391 | \$ 7,106,398 | \$ 73,181,533 |
| Deferred outflows of resources | | | | | | |
| Deferred charges for pensions | \$ 0 | \$ 0 | \$ 0 | \$ 288,941 | \$ 0 | \$ 288,941 |
| Liabilities: | | | | | | |
| Current liabilities | \$ 0 | \$ 19,318 | \$ 4,170 | \$ 1,400,117 | \$ 57,500 | \$ 1,481,105 |
| Noncurrent liabilities | 0 | 0 | 259,958 | 2,881,412 | 0 | 3,141,370 |
| Total liabilities | \$ 0 | \$ 19,318 | \$ 264,128 | \$ 4,281,529 | \$ 57,500 | \$ 4,622,475 |
| Deferred inflows of resources | | | | | | |
| Deferred charges for pensions | \$ 0 | \$ 0 | \$ 0 | \$ 110,931 | \$ 0 | \$ 110,931 |
| Net position: | | | | | | |
| Net investment in capital assets | \$ 0 | \$ 0 | \$ 0 | \$ 56,151,722 | \$ 0 | \$ 56,151,722 |
| Unrestricted | 7,559 | 1,855,675 | 2,820,064 | 853,150 | 7,048,898 | 12,585,346 |
| Total net position | \$ 7,559 | \$ 1,855,675 | \$ 2,820,064 | \$ 57,004,872 | \$ 7,048,898 | \$ 68,737,068 |

B. Statement of Activities

| | North Brevard County Public Library District | Merritt Island Redevelopment Agency | North Brevard Economic Development Zone | Titusville- Cocoa Airport Authority | Housing Finance Authority | Total |
|---|---|---|--|--|---------------------------------|---------------|
| Expenses: | | | | | | |
| Total expenses | \$ 2,149 | \$ 301,471 | \$ 303,985 | \$ 3,711,979 | \$ 168,326 | \$ 4,487,910 |
| Program revenues: | | | | | | |
| Charges for services | \$ 0 | \$ 0 | \$ 0 | \$ 2,173,854 | \$ 110,833 | \$ 2,284,687 |
| Capital grants and contributions | 0 | 0 | 0 | 4,665,028 | 0 | 4,665,028 |
| Total program revenues | \$ 0 | \$ 0 | \$ 0 | \$ 6,838,882 | \$ 110,833 | \$ 6,949,715 |
| Net program revenues (expenses) | \$ (2,149) | \$ (301,471) | \$ (303,985) | \$ 3,126,903 | \$ (57,493) | \$ 2,461,805 |
| General revenues: | | | | | | |
| Taxes | \$ 0 | \$ 871,571 | \$ 3,265,219 | \$ 0 | \$ 0 | \$ 4,136,790 |
| Other general revenues | 1,999 | 19,388 | 10,490 | 378 | 33,941 | 66,196 |
| Total general revenues | \$ 1,999 | \$ 890,959 | \$ 3,275,709 | \$ 378 | \$ 33,941 | \$ 4,202,986 |
| Changes in net position | \$ (150) | \$ 589,488 | \$ 2,971,724 | \$ 3,127,281 | \$ (23,552) | \$ 6,664,791 |
| Beginning net position | 7,709 | 1,266,187 | (151,660) | 54,318,263 | 7,072,450 | 62,512,949 |
| Cummulative effect of change in accounting principle | \$ 0 | \$ 0 | \$ 0 | \$ (440,672) | \$ 0 | \$ (440,672) |
| Net position - beginning, restated | \$ 7,709 | \$ 1,266,187 | \$ (151,660) | \$ 53,877,591 | \$ 7,072,450 | \$ 62,072,277 |
| Ending net position | \$ 7,559 | \$ 1,855,675 | \$ 2,820,064 | \$ 57,004,872 | \$ 7,048,898 | \$ 68,737,068 |

21. 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.
22. 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.

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23. 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, 2015, the County's pension expense totaled \$9,063,338 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 increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011

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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, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively, were as follows: Regular—7.37% and 7.26%; Special Risk Administrative Support—42.07% and 32.95%; Special Risk—19.82% and 22.04%; Senior Management Service—21.14% and 21.43%; Elected Officers—43.24% and 42.27%; and DROP participants—12.28% and 12.88%. These employer contribution rates include 1.26% and 1.66% HIS Plan subsidy for the periods October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively.

The County's contributions, including employee contributions, to the Pension Plan totaled \$19,149,010 for the fiscal year ended September 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2015, the County reported a liability of \$101,446,487 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2014 through June 30, 2015, 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 2014-15 fiscal year contributions relative to the 2013-14 fiscal year contributions of all participating members. At June 30, 2015, the County's proportionate share was .79 percent, which was a decrease of .015 percent from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2015, the County recognized pension expense of \$4,691,314. 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 | \$ 10,709,745 | \$ 2,406,002 |
| Change of assumptions | 6,733,343 | 0 |
| Net difference between projected and actual earnings on Pension Plan investments | 0 | 24,223,723 |
| Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions | 2,212,497 | 13,612,984 |
| County Pension Plan contributions subsequent to the measurement date | 4,461,232 | 0 |
| Total | <u>\$ 24,116,817</u> | <u>\$ 40,242,709</u> |

The deferred outflows of resources related to the Pension Plan, totaling \$4,461,232 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, 2016. 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 |
|------------------------------------|-----------------|
| 2016 | \$ (10,586,725) |
| 2017 | (10,586,725) |
| 2018 | (10,586,725) |
| 2019 | 9,398,605 |
| 2020 | 1,284,010 |
| Thereafter | 490,436 |

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Actuarial Assumptions – The total pension liability as of the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 2.60 % |
| Salary increases | 3.25 %, average, including inflation |
| Investment rate of return | 7.65 %, net of pension plan investment expense, including inflation |

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is 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 is based on a consistent set of underlying assumptions and includes 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% | 3.2% | 3.1% | 1.7% |
| Fixed income | 18.0% | 4.8% | 4.7% | 4.7% |
| Global equity | 53.0% | 8.5% | 7.2% | 17.7% |
| Real estate (property) | 10.0% | 6.8% | 6.2% | 12.0% |
| Private equity | 6.0% | 11.9% | 8.2% | 30.0% |
| Strategic investments | 12.0% | 6.7% | 6.1% | 11.4% |
| Total | 100.0% | | | |
| Assumed inflation - mean | | 2.6% | | 1.9% |

Discount Rate - The discount rate used to measure the total pension liability was 7.65%. 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 7.65%, 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 (6.65%) or one percentage point higher (8.65%) than the current rate:

| | 1% Decrease (6.65%) | Current Discount Rate (7.65%) | 1% Increase (8.65%) |
|--|------------------------|-------------------------------------|------------------------|
| County's proportionate share of the net position liability | \$ 262,870,775 | \$ 101,446,487 | \$ (32,885,047) |

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, 2015, 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

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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, 2015, the HIS contribution for the period October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015 was 1.26% and 1.66%, respectively. 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 \$2,237,840 for the fiscal year ended September 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2015, the County reported a liability of \$59,703,642 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014, with updated procedures performed to determine the liability as of July 1, 2015. The County's proportionate share of the net pension liability was based on the County's 2014-15 fiscal year contributions relative to the 2013-14 fiscal year contributions of all participating members. At June 30, 2015, the County's proportionate share was .58 percent, which was a decrease of .008 percent from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2015, the County recognized pension expense of \$4,372,024. 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 | \$ 0 |
| Change of assumptions | 4,697,118 | 0 |
| Net difference between projected and actual earnings on HIS Plan investments | 5,677 | 0 |
| Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions | 1,110,221 | 1,580,326 |
| County HIS Plan contributions subsequent to the measurement date | 660,903 | 0 |
| Total | <u>\$ 6,473,919</u> | <u>\$ 1,580,326</u> |

The deferred outflows of resources related to the HIS Plan, totaling \$660,903, 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, 2016. 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 |
|------------------------------------|------------|
| 2016 | \$ 742,102 |
| 2017 | 742,102 |
| 2018 | 742,102 |
| 2019 | 735,533 |
| 2020 | 732,380 |
| Thereafter | 538,471 |

Actuarial Assumptions – The total pension liability as of July 1, 2015, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--------------------------------------|
| Inflation | 2.60 % |
| Salary increases | 3.25 %, average, including inflation |
| Investment rate of return | 3.80 % |

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

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The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate - The discount rate used to measure the total pension liability was 3.80%. 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 3.80%, 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 (2.80%) or one percentage point higher (4.80%) than the current rate:

| | 1% Decrease (2.80%) | Current Discount Rate (3.80%) | 1% Increase (4.80%) |
|--|------------------------|-------------------------------------|------------------------|
| County's proportionate share of the net position liability | \$ 68,029,634 | \$ 59,703,642 | \$ 52,761,197 |

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

Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates as the Pension Plan, which are based on salary and membership class (Regular Class, Elected County Officers, etc.). Contributions are directed to individual member's accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during fiscal year 2015, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and County Elected Officers class 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, 2015, 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

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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 \$2,824,857 for the fiscal year ended September 30, 2015.

24. Other Postemployment Benefits

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

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

As of September 30, 2015, the membership of the County's medical plan consisted of:

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

Funding Policy - The maximum employer contribution target is 56% of the annual premium cost of the plan. The annual premium costs for the plan's self-insured plans are between \$8,909 and \$15,255 for retirees and spouses under age 65 and between \$5,503 and \$9,207 for retirees and spouses age 65 and over. Employees hired prior to January 1, 2006 are eligible to receive 100% of the earned percentage of benefits for their lifetime upon attainment of age 62 and completion of 6 years of service or upon completing 30 years of service, if earlier. Employees hired on or after January 1, 2006 are eligible to receive a graduated earned percentage of benefits upon retirement based on years of service. The County increased the contributions required from participants which significantly reduced the unfunded actuarial accrued liability as of the most recent valuation date.

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

The following table shows the actuarial determined components of the obligation as of September 30, 2013, 2014 and 2015 based on the plan provisions:

| | <u>Sept. 30, 2013</u> | <u>Sept. 30, 2014</u> | <u>Sept. 30, 2015</u> |
|--|-----------------------|-----------------------|-----------------------|
| Annual required contribution | \$ 6,252,988 | \$ 3,480,294 | \$ 3,572,786 |
| Interest on net OPEB contribution | 503,634 | 261,040 | 247,675 |
| Adjustment to annual required contribution | (900,568) | (1,001,465) | (950,195) |
| Annual OPEB cost (expense) | \$ 5,856,054 | \$ 2,739,869 | \$ 2,870,266 |
| Contributions made | (4,462,711) | (4,249,620) | (4,292,117) |
| Increase (decrease) in net OPEB obligation | \$ 1,393,343 | \$ (1,509,751) | \$ (1,421,851) |
| Net OPEB obligation - beginning of year | 24,883,970 | 26,277,313 | 24,767,562 |
| Net OPEB obligation - end of year | <u>\$ 26,277,313</u> | <u>\$ 24,767,562</u> | <u>\$ 23,345,711</u> |

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

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Funded Status and Funding Progress - The contributions made for the 2013, 2014 and 2015 fiscal years were 76.2%, 155.1% and 149.5% respectively of the annual OPEB cost. As of the October 1, 2014, actuarial valuation date, the actuarial accrued liability for benefits was \$60,076,951, all of which was unfunded. The annual payroll of active employees covered by the OPEB plan for fiscal year 2015 was \$177,481,236 and the ratio of the UAAL to the covered payroll was 33.8%. 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.

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

The actuarial methods are:

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

The actuarial assumptions are:

| | |
|----------------------------|---|
| Investment rate of return | 1.00% |
| Payroll growth/inflation | 0% |
| Healthcare cost trend rate | 7% for fiscal year 2015, decreasing to a rate of 5% for the 2020 fiscal year. |

25. **Cumulative effect of change in accounting principle** – During the year ended September 30, 2015, the County adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date*, an amendment of GASB Statement No. 68. These pronouncements require the restatement of the September 30, 2014, net position of the governmental activities and business-type funds as follows:

| | Governmental Activities | Business-type Activities | Total |
|---|----------------------------|-----------------------------|----------------|
| Net position September 30, 2014, as previously reported | \$ 717,426,710 | \$ 279,979,297 | \$ 997,406,007 |
| Cumulative effect of application of GASB 68 & 71 | (175,129,757) | (9,781,827) | (184,911,584) |
| Net position September 30, 2014, as restated | \$ 542,296,953 | \$ 270,197,470 | \$ 812,494,423 |

The restatement of the proprietary funds is as follows:

| | Solid Waste Management Department | Water Resources Department | Barefoot Bay Water & Sewer District | Other Business-type Activities | Internal Service Funds |
|---|---|----------------------------------|---|--------------------------------------|---------------------------|
| Net position September 30, 2014, as previously reported | \$ 115,754,623 | \$ 141,597,517 | \$ 140,898 | \$ 20,444,119 | \$ 29,810,950 |
| Cumulative effect of application of GASB 68 & 71 | (3,383,883) | (3,568,795) | (369,823) | (2,459,326) | (1,701,187) |
| Net position September 30, 2014, as restated | \$ 112,370,740 | \$ 138,028,722 | \$ (228,925) | \$ 17,984,793 | \$ 28,109,763 |

BREVARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

26. Cumulative effect in prior years of accounting error – Beginning net position of Solid Waste Management Department has been adjusted by \$20,599,319. According to GASB Statement No.18, all costs associated with the closure of a landfill cell should be fully depreciated and any related liability of the closed cell should be eliminated. The removal of certain costs associated with closed cells, in prior years, was needed, resulting in this accounting error correction and the restatement of beginning net position.
27. Subsequent Events – On October 7, 2015, the County issued \$13,545,000 Constitutional Fuel Tax Refunding Revenue Bonds, Series 2015. The proceeds of the bonds were used to achieve a current refunding of all of the outstanding Constitutional Fuel Tax Revenue Refunding Bonds, Series 2005.

On January 12, 2016, the County entered into a lease agreement and a management agreement with a company to operate the County's three golf courses. All debt associated with the golf courses was paid off in December 2015.

On January 26, 2016, the County accepted \$10,000,000 in Legislative funding from the State of Florida to initiate the Brevard County Muck Dredging Project to restore the lagoon in Brevard County.

On February 19, 2016, the County issued \$10,500,000 Solid Waste Management System Revenue Bonds, Series 2016. The proceeds of the bonds are to be used for the acquisition, construction and equipping of various capital improvements to the County's solid waste disposal system.

On March 11, 2016, the Clerk of the Circuit Court agreed to settle a claim asserted against the office for non-payment on a \$6.1 million promissory note. The agreement is to release the Clerk from the remaining balance of the promissory note, while the Clerk has agreed to drop any counterclaims. The Clerk's assertion was that the promissory note was not valid and that the services and equipment were not received in consideration of the payment. Any recoupment of funds by the Clerk's Office will be contingent on resolution of the case between the financing company and private party that directly received the proceeds of the promissory note.

The County has evaluated subsequent events through May 25, 2016, 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, 2015

| 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% |

BREVARD COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FLORIDA RETIREMENT SYSTEM PENSION PLAN
SEPTEMBER 30, 2015

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 | 0.785411946% | \$ 101,446,487 | \$ 177,481,236 | 57.16% | 92.00% |

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% |

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, 2015

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

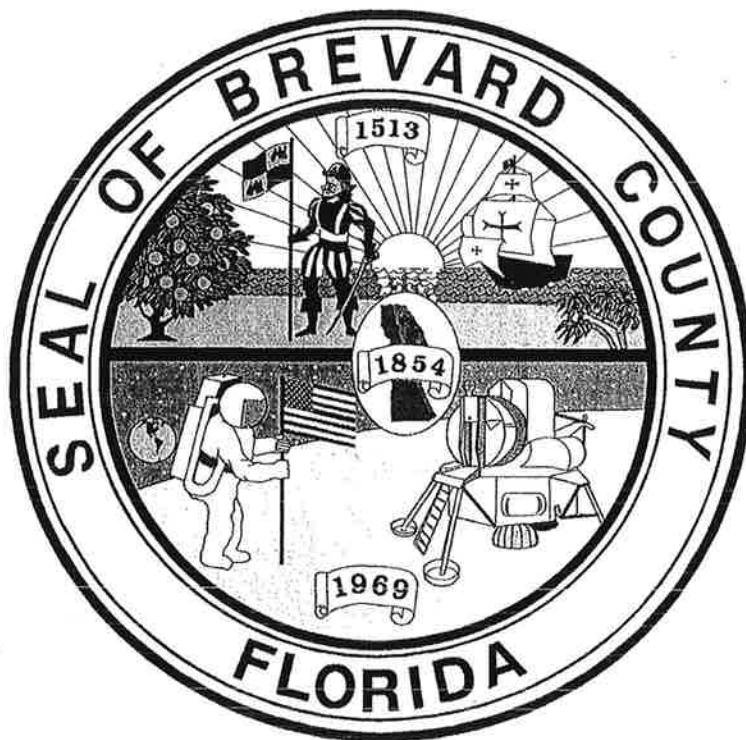
| *Fiscal Year | County's Proportion of the Net Pension Liability | County's Proportionate Share of the Net Pension Liability | County's Covered Employee Payroll | County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--------------|--|---|-----------------------------------|---|--|
| 2015 | 0.585420108% | \$ 59,703,642 | \$ 177,481,236 | 33.64% | 0.50% |

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% |

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

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

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

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

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

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

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

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

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

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

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

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

Debt Service Funds

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

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

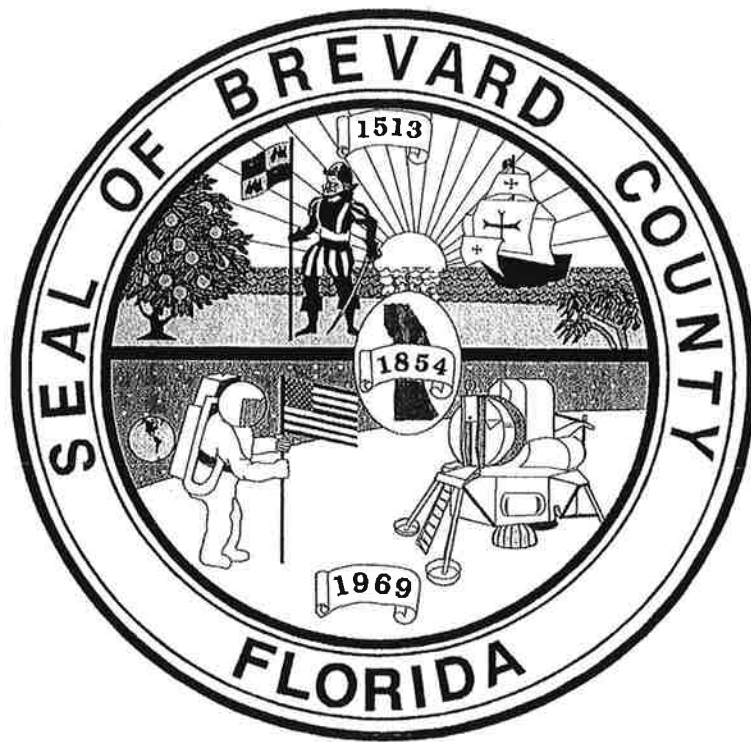
Loans - to fund the construction of T-hangars and special assessment projects, finance the dredging of channels and canals, acquisition of land and buildings, and purchase of various capital equipment.

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, 2015

| | <u>Special Revenue</u> | |
|--|---|--|
| | <u>Recreation Special Districts</u> | <u>Brevard County Free Public Library District</u> |
| ASSETS | | |
| Cash | \$ 1,255,345 | \$ 7,055,945 |
| Receivables (net of allowance for uncollectibles): | | |
| Accounts | 68 | 0 |
| Taxes | 9,988 | 32,213 |
| Assessments | 0 | 0 |
| Accrued interest | 0 | 0 |
| Due from other funds | 22,299 | 82,327 |
| Due from other governmental units | 100,119 | 0 |
| Inventory of supplies | 154,261 | 35,386 |
| Advances to other funds | 0 | 0 |
| Prepaid items | 0 | 10,500 |
| Total assets | \$ 1,542,080 | \$ 7,216,371 |
| LIABILITIES | | |
| Vouchers and contracts payable | \$ 134,488 | \$ 272,595 |
| Accrued wages and benefits payable | 0 | 0 |
| Due to other funds | 22 | 90 |
| Due to other governmental units | 680 | 1,136 |
| Unearned revenue | 0 | 0 |
| Total liabilities | \$ 135,190 | \$ 273,821 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Unavailable revenue-intergovernmental | \$ 100,119 | \$ 0 |
| Unavailable revenue-taxes and assessments | 9,988 | 32,213 |
| Unavailable revenue-future reimbursements | 0 | 0 |
| Total deferred inflows of resources | \$ 110,107 | \$ 32,213 |
| Fund balances: | | |
| Non-spendable | \$ 154,261 | \$ 45,886 |
| Restricted | 1,142,522 | 6,864,451 |
| Committed | 0 | 0 |
| Total fund balances | \$ 1,296,783 | \$ 6,910,337 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 1,542,080 | \$ 7,216,371 |

Special Revenue

| <i>Brevard County Mosquito Control District</i> | <i>Special Road And Bridge Districts</i> | <i>Surface Water Improvement Division</i> | <i>Fines and Court Costs</i> | <i>Special Law Enforcement District</i> |
|---|--|---|----------------------------------|---|
| \$ 3,211,778 | \$ 6,063,692 | \$ 3,002,550 | \$ 3,270,324 | \$ 3,572,487 |
| 76,300 | 0 | 13,704 | 101,345 | 2,026 |
| 11,689 | 9,850 | 0 | 0 | 27,428 |
| 0 | 0 | 8,295 | 0 | 0 |
| 0 | 0 | 0 | 140 | 0 |
| 29,577 | 24,091 | 6,242,763 | 0 | 87,337 |
| 72,956 | 0 | 45,422 | 0 | 47,811 |
| 695,227 | 312,397 | 0 | 5,151 | 0 |
| 0 | 0 | 207,024 | 0 | 0 |
| 9,435 | 7,843 | 0 | 4,022 | 0 |
| <u>\$ 4,106,962</u> | <u>\$ 6,417,873</u> | <u>\$ 9,519,758</u> | <u>\$ 3,380,982</u> | <u>\$ 3,737,089</u> |
| \$ 247,846 | \$ 319,039 | \$ 200,857 | \$ 422,647 | \$ 2,892 |
| 0 | 0 | 0 | 0 | 549,584 |
| 32 | 15 | 0 | 173,602 | 1,019,140 |
| 0 | 0 | 0 | 1,784 | 0 |
| 0 | 0 | 0 | 261,093 | 0 |
| <u>\$ 247,878</u> | <u>\$ 319,054</u> | <u>\$ 200,857</u> | <u>\$ 859,126</u> | <u>\$ 1,571,616</u> |
| \$ 72,119 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 11,689 | 9,850 | 8,295 | 0 | 27,428 |
| 0 | 0 | 0 | 0 | 0 |
| <u>\$ 83,808</u> | <u>\$ 9,850</u> | <u>\$ 8,295</u> | <u>\$ 0</u> | <u>\$ 27,428</u> |
| \$ 704,662 | \$ 320,240 | \$ 207,024 | \$ 9,173 | \$ 0 |
| 3,070,614 | 5,768,729 | 9,103,582 | 2,512,683 | 2,138,045 |
| 0 | 0 | 0 | 0 | 0 |
| <u>\$ 3,775,276</u> | <u>\$ 6,088,969</u> | <u>\$ 9,310,606</u> | <u>\$ 2,521,856</u> | <u>\$ 2,138,045</u> |
| <u>\$ 4,106,962</u> | <u>\$ 6,417,873</u> | <u>\$ 9,519,758</u> | <u>\$ 3,380,982</u> | <u>\$ 3,737,089</u> |

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

| | <u>Special Revenue</u> | |
|--|--------------------------------------|--|
| | <u>Education Impact Fees</u> | <u>Tourist Development Tax</u> |
| ASSETS | | |
| Cash | \$ 6,096,058 | \$ 23,398,794 |
| Receivables (net of allowance for uncollectibles): | | |
| Accounts | 0 | 48,420 |
| Taxes | 0 | 0 |
| Assessments | 0 | 0 |
| Accrued interest | 0 | 0 |
| Due from other funds | 0 | 1,560,247 |
| Due from other governmental units | 0 | 712,282 |
| Inventory of supplies | 0 | 10,375 |
| Advances to other funds | 0 | 0 |
| Prepaid items | 0 | 0 |
| Total assets | <u>\$ 6,096,058</u> | <u>\$ 25,730,118</u> |
| LIABILITIES | | |
| Vouchers and contracts payable | \$ 0 | \$ 811,099 |
| Accrued wages and benefits payable | 0 | 0 |
| Due to other funds | 0 | 0 |
| Due to other governmental units | 0 | 16,026 |
| Unearned revenue | 0 | 0 |
| Total liabilities | <u>\$ 0</u> | <u>\$ 827,125</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Unavailable revenue-intergovernmental | \$ 0 | \$ 0 |
| Unavailable revenue-taxes and assessments | 0 | 0 |
| Unavailable revenue-future reimbursements | 0 | 0 |
| Total deferred inflows of resources | <u>\$ 0</u> | <u>\$ 0</u> |
| Fund balances: | | |
| Non-spendable | \$ 0 | \$ 10,375 |
| Restricted | 6,096,058 | 24,892,618 |
| Committed | 0 | 0 |
| Total fund balances | <u>\$ 6,096,058</u> | <u>\$ 24,902,993</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 6,096,058</u> | <u>\$ 25,730,118</u> |

| <i>Special Revenue</i> | | | | <i>Debt Service</i> |
|---|--|--|------------------------------------|-------------------------------------|
| <i>State Housing Initiative Partnership</i> | <i>Environmentally Endangered Land Program</i> | <i>Brevard County Building Code Compliance</i> | <i>Records Modernization Trust</i> | <i>Limited Ad Valorem Tax Bonds</i> |
| \$ 1,603,521 | \$ 1,183,648 | \$ 3,130,993 | \$ 202,236 | \$ 4,641,903 |
| 41,540 | 0 | 0 | 0 | 0 |
| 0 | 3,157 | 0 | 0 | 30,501 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 45 | 0 | 0 | 92,490 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 18,423 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 1,030 | 12,441 | 0 |
| <u>\$ 1,645,061</u> | <u>\$ 1,205,273</u> | <u>\$ 3,132,023</u> | <u>\$ 214,677</u> | <u>\$ 4,764,894</u> |
| \$ 95,700 | \$ 49,241 | \$ 27,710 | \$ 18,069 | \$ 0 |
| 0 | 0 | 0 | 6,547 | 0 |
| 0 | 12 | 0 | 0 | 84 |
| 0 | 30 | 12,272 | 5,925 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| <u>\$ 95,700</u> | <u>\$ 49,283</u> | <u>\$ 39,982</u> | <u>\$ 30,541</u> | <u>\$ 84</u> |
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 0 | 3,157 | 0 | 0 | 30,501 |
| 41,540 | 0 | 0 | 0 | 0 |
| <u>\$ 41,540</u> | <u>\$ 3,157</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 30,501</u> |
| \$ 0 | \$ 18,423 | \$ 1,030 | \$ 0 | \$ 0 |
| 1,507,821 | 1,134,410 | 3,091,011 | 184,136 | 4,734,309 |
| 0 | 0 | 0 | 0 | 0 |
| <u>\$ 1,507,821</u> | <u>\$ 1,152,833</u> | <u>\$ 3,092,041</u> | <u>\$ 184,136</u> | <u>\$ 4,734,309</u> |
| <u>\$ 1,645,061</u> | <u>\$ 1,205,273</u> | <u>\$ 3,132,023</u> | <u>\$ 214,677</u> | <u>\$ 4,764,894</u> |

BREVARD COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

| | <u>Debt Service</u> | |
|---|--|------------------|
| | <u>Sales Tax Revenue Bonds</u> | <u>Loans</u> |
| ASSETS | | |
| Cash | \$ 294,435 | \$ 27,432 |
| Receivables (net of allowance for uncollectibles): | | |
| Accounts | 0 | 0 |
| Taxes | 867 | 0 |
| Assessments | 0 | 0 |
| Accrued interest | 0 | 10 |
| Due from other funds | 3,127 | 0 |
| Due from other governmental units | 0 | 0 |
| Inventory of supplies | 0 | 0 |
| Advances to other funds | 0 | 0 |
| Prepaid items | 0 | 0 |
| Total assets | <u>\$ 298,429</u> | <u>\$ 27,442</u> |
| LIABILITIES | | |
| Vouchers and contracts payable | \$ 0 | \$ 28 |
| Accrued wages and benefits payable | 0 | 0 |
| Due to other funds | 8 | 0 |
| Due to other governmental units | 0 | 0 |
| Unearned revenue | 0 | 0 |
| Total liabilities | <u>\$ 8</u> | <u>\$ 28</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Unavailable revenue-intergovernmental | \$ 0 | \$ 0 |
| Unavailable revenue-taxes and assessments | 867 | 0 |
| Unavailable revenue-future reimbursements | 0 | 0 |
| Total deferred inflows of resources | <u>\$ 867</u> | <u>\$ 0</u> |
| Fund balances: | | |
| Non-spendable | \$ 0 | \$ 0 |
| Restricted | 297,554 | 27,414 |
| Committed | 0 | 0 |
| Total fund balances | <u>\$ 297,554</u> | <u>\$ 27,414</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 298,429</u> | <u>\$ 27,442</u> |

Capital Projects

| <i>General Government Facilities</i> | <i>Parks and Recreation Facilities</i> | <i>Environmentally Endangered Land Purchases</i> | <i>Total</i> |
|--|--|--|----------------------|
| \$ 5,559,235 | \$ 6,068,648 | \$ 4,058,693 | \$ 83,697,717 |
| 0 | 0 | 0 | 283,403 |
| 0 | 0 | 0 | 125,693 |
| 0 | 0 | 0 | 8,295 |
| 0 | 0 | 0 | 150 |
| 0 | 77,768 | 0 | 8,222,071 |
| 0 | 0 | 0 | 978,590 |
| 0 | 0 | 0 | 1,231,220 |
| 0 | 0 | 0 | 207,024 |
| 0 | 0 | 0 | 45,271 |
| <u>\$ 5,559,235</u> | <u>\$ 6,146,416</u> | <u>\$ 4,058,693</u> | <u>\$ 94,799,434</u> |
| \$ 721,419 | \$ 149,432 | \$ 5,776 | \$ 3,478,838 |
| 0 | 0 | 0 | 556,131 |
| 0 | 0 | 0 | 1,193,005 |
| 0 | 0 | 0 | 37,853 |
| 0 | 0 | 0 | 261,093 |
| <u>\$ 721,419</u> | <u>\$ 149,432</u> | <u>\$ 5,776</u> | <u>\$ 5,526,920</u> |
| \$ 0 | \$ 0 | \$ 0 | \$ 172,238 |
| 0 | 0 | 0 | 133,988 |
| 0 | 0 | 0 | 41,540 |
| <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 347,766</u> |
| \$ 0 | \$ 0 | \$ 0 | \$ 1,471,074 |
| 1,130,696 | 5,996,984 | 4,052,917 | 83,746,554 |
| 3,707,120 | 0 | 0 | 3,707,120 |
| <u>\$ 4,837,816</u> | <u>\$ 5,996,984</u> | <u>\$ 4,052,917</u> | <u>\$ 88,924,748</u> |
| <u>\$ 5,559,235</u> | <u>\$ 6,146,416</u> | <u>\$ 4,058,693</u> | <u>\$ 94,799,434</u> |

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <i>Special Revenue</i> | |
|--|---|--|
| | <i>Recreation Special Districts</i> | <i>Brevard County Free Public Library District</i> |
| REVENUES | | |
| Taxes | \$ 4,906,818 | \$ 15,631,652 |
| Permits, fees and special assessments | 0 | 87,165 |
| Intergovernmental revenues | 66,923 | 0 |
| Charges for services | 196,974 | 0 |
| Fines and forfeits | 0 | 608,817 |
| Miscellaneous revenues | 297,365 | 134,020 |
| Total revenues | \$ 5,468,080 | \$ 16,461,654 |
| 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 | 8,464,455 | 13,220,001 |
| Intergovernmental | 0 | 0 |
| Capital outlay | 0 | 0 |
| Debt service: | | |
| Principal | 0 | 0 |
| Interest | 0 | 0 |
| Total expenditures | \$ 8,464,455 | \$ 13,220,001 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (2,996,375) | \$ 3,241,653 |
| OTHER FINANCING SOURCES AND (USES) | | |
| Transfers in | \$ 3,523,044 | \$ 312,488 |
| Transfers out | (738,052) | (1,647,392) |
| Proceeds of the sale of capital assets | 6,282 | 0 |
| Insurance proceeds | 3,503 | 0 |
| Capital related debt issued | 0 | 0 |
| Total other financing sources and uses | \$ 2,794,777 | \$ (1,334,904) |
| Net change in fund balances | \$ (201,598) | \$ 1,906,749 |
| Fund balances - beginning | 1,441,335 | 4,966,452 |
| Increase (decrease) in non-spendable | 57,046 | 37,136 |
| Fund balances - ending | \$ 1,296,783 | \$ 6,910,337 |

Special Revenue

| <i>Brevard County Mosquito Control District</i> | <i>Special Road And Bridge Districts</i> | <i>Surface Water Improvement Division</i> | <i>Fines and Court Costs</i> | <i>Special Law Enforcement District</i> |
|---|--|---|----------------------------------|---|
| \$ 5,616,011 | \$ 4,518,545 | \$ 0 | \$ 0 | \$ 16,298,596 |
| 0 | 0 | 4,789,060 | 0 | 0 |
| 67,814 | 0 | 447,043 | 0 | 70,684 |
| 39,680 | 0 | 55,159 | 3,031,379 | 188,550 |
| 0 | 0 | 0 | 342,667 | 0 |
| 35,634 | 52,125 | 180,597 | 814,036 | 76,935 |
| <u>\$ 5,759,139</u> | <u>\$ 4,570,670</u> | <u>\$ 5,471,859</u> | <u>\$ 4,188,082</u> | <u>\$ 16,634,765</u> |
| \$ 0 | \$ 0 | \$ 0 | \$ 4,722,868 | \$ 0 |
| 0 | 0 | 0 | 2,063,951 | 16,357,186 |
| 301,134 | 0 | 3,845,796 | 0 | 0 |
| 0 | 3,419,382 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 5,175,999 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 148,928 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 112,000 | 0 | 0 |
| 0 | 0 | 24,706 | 0 | 0 |
| <u>\$ 5,477,133</u> | <u>\$ 3,419,382</u> | <u>\$ 4,131,430</u> | <u>\$ 6,786,819</u> | <u>\$ 16,357,186</u> |
| \$ 282,006 | \$ 1,151,288 | \$ 1,340,429 | \$ (2,598,737) | \$ 277,579 |
| \$ 168,726 | \$ 24,091 | \$ 0 | \$ 3,244,450 | \$ 85,935 |
| (1,308,554) | (164,924) | (237,112) | (1,284,537) | (591,359) |
| 700,069 | 0 | 0 | 0 | 995 |
| 6,791 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| <u>\$ (432,968)</u> | <u>\$ (140,833)</u> | <u>\$ (237,112)</u> | <u>\$ 1,959,913</u> | <u>\$ (504,429)</u> |
| \$ (150,962) | \$ 1,010,455 | \$ 1,103,317 | \$ (638,824) | \$ (226,850) |
| 4,198,896 | 4,993,416 | 8,207,289 | 3,155,815 | 2,364,895 |
| (272,658) | 85,098 | 0 | 4,865 | 0 |
| <u>\$ 3,775,276</u> | <u>\$ 6,088,969</u> | <u>\$ 9,310,606</u> | <u>\$ 2,521,856</u> | <u>\$ 2,138,045</u> |

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <i>Special Revenue</i> | |
|--|--------------------------------------|--|
| | <i>Education Impact Fees</i> | <i>Tourist Development Tax</i> |
| REVENUES | | |
| Taxes | \$ 0 | \$ 11,292,010 |
| Permits, fees and special assessments | 5,236,173 | 0 |
| Intergovernmental revenues | 0 | 0 |
| Charges for services | 0 | 0 |
| Fines and forfeits | 0 | 0 |
| Miscellaneous revenues | 47,382 | 160,942 |
| Total revenues | \$ 5,283,555 | \$ 11,452,952 |
| EXPENDITURES | | |
| Current: | | |
| General government | \$ 0 | \$ 0 |
| Public safety | 0 | 0 |
| Physical environment | 0 | 631,585 |
| Transportation | 0 | 0 |
| Economic environment | 0 | 5,448,422 |
| Human services | 0 | 0 |
| Culture and recreation | 0 | 1,366,220 |
| Intergovernmental | 4,706,010 | 0 |
| Capital outlay | 0 | 0 |
| Debt service: | | |
| Principal | 0 | 0 |
| Interest | 0 | 0 |
| Total expenditures | \$ 4,706,010 | \$ 7,446,227 |
| Excess (deficiency) of revenues over (under) expenditures | \$ 577,545 | \$ 4,006,725 |
| OTHER FINANCING SOURCES AND (USES) | | |
| Transfers in | \$ 0 | \$ 0 |
| Transfers out | (213,890) | (434,661) |
| Proceeds of the sale of capital assets | 0 | 70 |
| Insurance proceeds | 0 | 0 |
| Capital related debt issued | 0 | 0 |
| Total other financing sources and uses | \$ (213,890) | \$ (434,591) |
| Net change in fund balances | \$ 363,655 | \$ 3,572,134 |
| Fund balances - beginning | 5,732,403 | 21,326,893 |
| Increase (decrease) in non-spendable | 0 | 3,966 |
| Fund balances - ending | \$ 6,096,058 | \$ 24,902,993 |

| <i>Special Revenue</i> | | | | <i>Debt Service</i> |
|---|--|--|------------------------------------|-------------------------------------|
| <i>State Housing Initiative Partnership</i> | <i>Environmentally Endangered Land Program</i> | <i>Brevard County Building Code Compliance</i> | <i>Records Modernization Trust</i> | <i>Limited Ad Valorem Tax Bonds</i> |
| \$ 0 | \$ 1,525,263 | \$ 18,330 | \$ 0 | \$ 13,381,259 |
| 0 | 0 | 3,431,028 | 0 | 0 |
| 1,081,022 | 0 | 0 | 0 | 0 |
| 0 | 887 | 2,950 | 1,249,151 | 0 |
| 0 | 0 | 12,991 | 399,168 | 0 |
| 233,650 | 96,459 | 49,436 | 692 | 78,294 |
| <u>\$ 1,314,672</u> | <u>\$ 1,622,609</u> | <u>\$ 3,514,735</u> | <u>\$ 1,649,011</u> | <u>\$ 13,459,553</u> |
| \$ 0 | \$ 0 | \$ 0 | \$ 1,600,732 | \$ 0 |
| 0 | 0 | 2,532,719 | 0 | 0 |
| 0 | 2,146,156 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 742,197 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 9,525,000 |
| 0 | 0 | 0 | 0 | 3,466,115 |
| <u>\$ 742,197</u> | <u>\$ 2,146,156</u> | <u>\$ 2,532,719</u> | <u>\$ 1,600,732</u> | <u>\$ 12,991,115</u> |
| \$ 572,475 | \$ (523,547) | \$ 982,016 | \$ 48,279 | \$ 468,438 |
| \$ 0 | \$ 423,327 | \$ 10,590 | \$ 0 | \$ 393,351 |
| 0 | (58,385) | (76,891) | 0 | (485,604) |
| 0 | 2,357 | 180 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| <u>\$ 0</u> | <u>\$ 367,299</u> | <u>\$ (66,121)</u> | <u>\$ 0</u> | <u>\$ (92,253)</u> |
| \$ 572,475 | \$ (156,248) | \$ 915,895 | \$ 48,279 | \$ 376,185 |
| 935,346 | 1,305,543 | 2,176,116 | 135,857 | 4,358,124 |
| 0 | 3,538 | 30 | 0 | 0 |
| <u>\$ 1,507,821</u> | <u>\$ 1,152,833</u> | <u>\$ 3,092,041</u> | <u>\$ 184,136</u> | <u>\$ 4,734,309</u> |

BREVARD COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <i>Debt Service</i> | |
|--|--|----------------|
| | <i>Sales Tax Revenue Bonds</i> | <i>Loans</i> |
| | | |
| REVENUES | | |
| Taxes | \$ 122,405 | \$ 0 |
| Permits, fees and special assessments | 0 | 2,728 |
| Intergovernmental revenues | 0 | 0 |
| Charges for services | 0 | 0 |
| Fines and forfeits | 0 | 0 |
| Miscellaneous revenues | 2,603 | 167 |
| Total revenues | \$ 125,008 | \$ 2,895 |
| 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 | 3,868,435 | 2,094,000 |
| Interest | 490,933 | 1,028,228 |
| Total expenditures | \$ 4,359,368 | \$ 3,122,228 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (4,234,360) | \$ (3,119,333) |
| OTHER FINANCING SOURCES AND (USES) | | |
| Transfers in | \$ 4,098,415 | \$ 3,106,017 |
| Transfers out | (3,176) | 0 |
| Proceeds of the sale of capital assets | 0 | 0 |
| Insurance proceeds | 0 | 0 |
| Capital related debt issued | 0 | 5,906 |
| Total other financing sources and uses | \$ 4,095,239 | \$ 3,111,923 |
| Net change in fund balances | \$ (139,121) | \$ (7,410) |
| Fund balances - beginning | 436,675 | 34,824 |
| Increase (decrease) in non-spendable | 0 | 0 |
| Fund balances - ending | \$ 297,554 | \$ 27,414 |

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 | \$ 73,310,889 |
| 0 | 0 | 0 | 13,546,154 |
| 0 | 212,722 | 0 | 1,946,208 |
| 0 | 0 | 0 | 4,764,730 |
| 0 | 0 | 0 | 1,363,643 |
| 1,050,107 | 127,252 | 34,978 | 3,472,674 |
| <u>\$ 1,050,107</u> | <u>\$ 339,974</u> | <u>\$ 34,978</u> | <u>\$ 98,404,298</u> |
| \$ 0 | \$ 0 | \$ 0 | \$ 6,323,600 |
| 0 | 0 | 0 | 20,953,856 |
| 0 | 0 | 0 | 6,924,671 |
| 0 | 0 | 0 | 3,419,382 |
| 0 | 0 | 0 | 6,190,619 |
| 0 | 0 | 0 | 5,175,999 |
| 0 | 0 | 0 | 23,050,676 |
| 0 | 0 | 0 | 4,854,938 |
| 14,309,532 | 2,586,837 | 145,380 | 17,041,749 |
| 0 | 0 | 0 | 15,599,435 |
| 0 | 0 | 0 | 5,009,982 |
| <u>\$ 14,309,532</u> | <u>\$ 2,586,837</u> | <u>\$ 145,380</u> | <u>\$ 114,544,907</u> |
| <u>\$ (13,259,425)</u> | <u>\$ (2,246,863)</u> | <u>\$ (110,402)</u> | <u>\$ (16,140,609)</u> |
| \$ 0 | \$ 550,000 | \$ 0 | \$ 15,940,434 |
| (924,557) | (376,440) | (423,282) | (8,968,816) |
| 0 | 0 | 0 | 709,953 |
| 0 | 0 | 0 | 10,294 |
| 4,094,094 | 0 | 0 | 4,100,000 |
| <u>\$ 3,169,537</u> | <u>\$ 173,560</u> | <u>\$ (423,282)</u> | <u>\$ 11,791,865</u> |
| <u>\$ (10,089,888)</u> | <u>\$ (2,073,303)</u> | <u>\$ (533,684)</u> | <u>\$ (4,348,744)</u> |
| 14,927,704 | 8,070,287 | 4,586,601 | 93,354,471 |
| 0 | 0 | 0 | (80,979) |
| <u>\$ 4,837,816</u> | <u>\$ 5,996,984</u> | <u>\$ 4,052,917</u> | <u>\$ 88,924,748</u> |

BREVARD COUNTY, FLORIDA
RECREATION SPECIAL DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2015

| | <u>Final Budgeted Amounts</u> | <u>Actual Amount</u> | <u>Variance with final budget - Positive (Negative)</u> |
|---|---------------------------------------|----------------------|---|
| REVENUES | | | |
| Taxes | \$ 5,098,280 | \$ 4,906,818 | \$ (191,462) |
| Intergovernmental revenues | 70,445 | 66,923 | (3,522) |
| Charges for services | 201,000 | 196,974 | (4,026) |
| Miscellaneous revenues | 281,104 | 297,365 | 16,261 |
| Total revenues | <u>\$ 5,650,829</u> | <u>\$ 5,468,080</u> | <u>\$ (182,749)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Culture and recreation | \$ 9,231,740 | \$ 8,464,455 | \$ 767,285 |
| Deficiency of revenues under expenditures | \$ (3,580,911) | \$ (2,996,375) | \$ 584,536 |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers in | \$ 3,510,995 | \$ 3,523,044 | \$ 12,049 |
| Transfers out | (743,161) | (738,052) | 5,109 |
| Proceeds of the sale of capital assets | 0 | 6,282 | 6,282 |
| Insurance proceeds | 0 | 3,503 | 3,503 |
| Total other financing sources and uses | <u>\$ 2,767,834</u> | <u>\$ 2,794,777</u> | <u>\$ 26,943</u> |
| Net change in fund balances | <u>\$ (813,077)</u> | <u>\$ (201,598)</u> | <u>\$ 611,479</u> |
| Fund balances - beginning | 1,441,335 | 1,441,335 | 0 |
| Increase in non-spendable | 0 | 57,046 | 57,046 |
| Fund balances - ending | <u>\$ 628,258</u> | <u>\$ 1,296,783</u> | <u>\$ 668,525</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, 2015

| | <i>Final Budgeted Amounts</i> | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|--|---------------------------------------|-----------------------|---|
| REVENUES | | | |
| Taxes | \$ 16,251,400 | \$ 15,631,652 | \$ (619,748) |
| Permits, fees and special assessments | 72,500 | 87,165 | 14,665 |
| Fines and forfeits | 511,271 | 608,817 | 97,546 |
| Miscellaneous revenues | <u>169,700</u> | <u>134,020</u> | <u>(35,680)</u> |
| Total revenues | <u>\$ 17,004,871</u> | <u>\$ 16,461,654</u> | <u>\$ (543,217)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Culture and recreation | <u>\$ 17,414,046</u> | <u>\$ 13,220,001</u> | <u>\$ 4,194,045</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (409,175)</u> | <u>\$ 3,241,653</u> | <u>\$ 3,650,828</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers in | \$ 233,661 | \$ 312,488 | \$ 78,827 |
| Transfers out | <u>(1,675,973)</u> | <u>(1,647,392)</u> | <u>28,581</u> |
| Total other financing sources and uses | <u>\$ (1,442,312)</u> | <u>\$ (1,334,904)</u> | <u>\$ 107,408</u> |
| Net change in fund balances | \$ (1,851,487) | \$ 1,906,749 | \$ 3,758,236 |
| Fund balances - beginning | 4,966,452 | 4,966,452 | 0 |
| Increase in non-spendable | <u>0</u> | <u>37,136</u> | <u>37,136</u> |
| Fund balances - ending | <u>\$ 3,114,965</u> | <u>\$ 6,910,337</u> | <u>\$ 3,795,372</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, 2015

| | <i>Final Budgeted Amounts</i> | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|--|---------------------------------------|----------------------|---|
| REVENUES | | | |
| Taxes | \$ 5,820,644 | \$ 5,616,011 | \$ (204,633) |
| Intergovernmental revenues | 0 | 67,814 | 67,814 |
| Charges for services | 50,000 | 39,680 | (10,320) |
| Miscellaneous revenues | 25,000 | 35,634 | 10,634 |
| | <u>\$ 5,895,644</u> | <u>\$ 5,759,139</u> | <u>\$ (136,505)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Physical environment | \$ 420,456 | \$ 301,134 | \$ 119,322 |
| Human services | 6,430,583 | 5,175,999 | 1,254,584 |
| | <u>\$ 6,851,039</u> | <u>\$ 5,477,133</u> | <u>\$ 1,373,906</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (955,395)</u> | <u>\$ 282,006</u> | <u>\$ 1,237,401</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers in | \$ 170,149 | \$ 168,726 | \$ (1,423) |
| Transfers out | (1,309,456) | (1,308,554) | 902 |
| Proceeds of the sale of capital assets | 736,843 | 700,069 | (36,774) |
| Insurance proceeds | 0 | 6,791 | 6,791 |
| | <u>\$ (402,464)</u> | <u>\$ (432,968)</u> | <u>\$ (30,504)</u> |
| Net change in fund balances | \$ (1,357,859) | \$ (150,962) | \$ 1,206,897 |
| Fund balances - beginning | 4,198,896 | 4,198,896 | 0 |
| Decrease in non-spendable | 0 | (272,658) | (272,658) |
| Fund balances - ending | <u>\$ 2,841,037</u> | <u>\$ 3,775,276</u> | <u>\$ 934,239</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, 2015

| | <i>Final Budgeted Amounts</i> | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|--|---------------------------------------|----------------------------|---|
| REVENUES | | | |
| Taxes | \$ 4,680,066 | \$ 4,518,545 | \$ (161,521) |
| Miscellaneous revenues | 23,265 | 52,125 | 28,860 |
| Total revenues | <u>\$ 4,703,331</u> | <u>\$ 4,570,670</u> | <u>\$ (132,661)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Transportation | \$ 7,704,265 | \$ 3,419,382 | \$ 4,284,883 |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (3,000,934)</u> | <u>\$ 1,151,288</u> | <u>\$ 4,152,222</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers in | \$ 22,675 | \$ 24,091 | \$ 1,416 |
| Transfers out | <u>(159,121)</u> | <u>(164,924)</u> | <u>(5,803)</u> |
| Total other financing sources and uses | <u>\$ (136,446)</u> | <u>\$ (140,833)</u> | <u>\$ (4,387)</u> |
| Net change in fund balances | \$ (3,137,380) | \$ 1,010,455 | \$ 4,147,835 |
| Fund balances - beginning | 4,993,416 | 4,993,416 | 0 |
| Increase in non-spendable | <u>0</u> | <u>85,098</u> | <u>85,098</u> |
| Fund balances - ending | <u><u>\$ 1,856,036</u></u> | <u><u>\$ 6,088,969</u></u> | <u><u>\$ 4,232,933</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, 2015

| | <i>Final Budgeted Amounts</i> | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|--|---------------------------------------|----------------------|---|
| REVENUES | | | |
| Permits, fees and special assessments | \$ 4,940,361 | \$ 4,789,060 | \$ (151,301) |
| Intergovernmental revenues | 335,407 | 447,043 | 111,636 |
| Charges for services | 53,390 | 55,159 | 1,769 |
| Miscellaneous revenues | 193,522 | 180,597 | (12,925) |
| Total revenues | \$ 5,522,680 | \$ 5,471,859 | \$ (50,821) |
| EXPENDITURES | | | |
| Current: | | | |
| Physical environment | \$ 8,312,934 | \$ 3,845,796 | \$ 4,467,138 |
| Intergovernmental | 794,480 | 148,928 | 645,552 |
| Debt service: | | | |
| Principal | 50,000 | 112,000 | (62,000) |
| Interest | 111,533 | 24,706 | 86,827 |
| Total expenditures | \$ 9,268,947 | \$ 4,131,430 | \$ 5,137,517 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (3,746,267) | \$ 1,340,429 | \$ 5,086,696 |
| OTHER FINANCING (USES) | | | |
| Transfers out | \$ (281,138) | \$ (237,112) | \$ 44,026 |
| Net change in fund balances | \$ (4,027,405) | \$ 1,103,317 | \$ 5,130,722 |
| Fund balances - beginning | 8,207,289 | 8,207,289 | 0 |
| Fund balances - ending | \$ 4,179,884 | \$ 9,310,606 | \$ 5,130,722 |

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, 2015

| | <i>Final Budgeted Amounts</i> | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|---|---------------------------------------|-----------------------|---|
| REVENUES | | | |
| Charges for services | \$ 3,183,284 | \$ 3,031,379 | \$ (151,905) |
| Fines and forfeits | 386,576 | 342,667 | (43,909) |
| Miscellaneous revenues | <u>664,033</u> | <u>814,036</u> | <u>150,003</u> |
| Total revenues | <u>\$ 4,233,893</u> | <u>\$ 4,188,082</u> | <u>\$ (45,811)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General government | \$ 4,931,800 | \$ 4,722,868 | \$ 208,932 |
| Public safety | <u>2,403,158</u> | <u>2,063,951</u> | <u>339,207</u> |
| Total expenditures | <u>\$ 7,334,958</u> | <u>\$ 6,786,819</u> | <u>\$ 548,139</u> |
| Deficiency of revenues under expenditures | <u>\$ (3,101,065)</u> | <u>\$ (2,598,737)</u> | <u>\$ 502,328</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers in | \$ 3,376,012 | \$ 3,244,450 | \$ (131,562) |
| Transfers out | <u>(1,124,692)</u> | <u>(1,284,537)</u> | <u>(159,845)</u> |
| Total other financing sources and uses | <u>\$ 2,251,320</u> | <u>\$ 1,959,913</u> | <u>\$ (291,407)</u> |
| Net change in fund balances | \$ (849,745) | \$ (638,824) | \$ 210,921 |
| Fund balances - beginning | 3,155,815 | 3,155,815 | 0 |
| Increase in non-spendable | <u>0</u> | <u>4,865</u> | <u>4,865</u> |
| Fund balances - ending | <u>\$ 2,306,070</u> | <u>\$ 2,521,856</u> | <u>\$ 215,786</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, 2015

| | <i>Final Budgeted Amounts</i> | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|--|---------------------------------------|----------------------|---|
| REVENUES | | | |
| Taxes | \$ 17,070,400 | \$ 16,298,596 | \$ (771,804) |
| Intergovernmental revenues | 70,604 | 70,684 | 80 |
| Charges for services | 776,572 | 188,550 | (588,022) |
| Miscellaneous revenues | 56,579 | 76,935 | 20,356 |
| Total revenues | \$ 17,974,155 | \$ 16,634,765 | \$ (1,339,390) |
| EXPENDITURES | | | |
| Current: | | | |
| Public safety | \$ 18,409,313 | \$ 16,357,186 | \$ 2,052,127 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (435,158) | \$ 277,579 | \$ 712,737 |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers in | \$ 0 | \$ 85,935 | \$ 85,935 |
| Transfers out | (671,963) | (591,359) | 80,604 |
| Proceeds of the sale of capital assets | 5,000 | 995 | (4,005) |
| Total other financing sources and uses | \$ (666,963) | \$ (504,429) | \$ 162,534 |
| Net change in fund balances | \$ (1,102,121) | \$ (226,850) | \$ 875,271 |
| Fund balances - beginning | 2,364,895 | 2,364,895 | 0 |
| Fund balances - ending | <u>\$ 1,262,774</u> | <u>\$ 2,138,045</u> | <u>\$ 875,271</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, 2015

| | <i>Final Budgeted Amounts</i> | <i>Actual Amount</i> | <i>Variance with final budget - Positive (Negative)</i> |
|--|---------------------------------------|----------------------|---|
| REVENUES | | | |
| Permits, fees and special assessments | \$ 4,277,798 | \$ 5,236,173 | \$ 958,375 |
| Miscellaneous revenues | 9,750 | 47,382 | 37,632 |
| Total revenues | <u>\$ 4,287,548</u> | <u>\$ 5,283,555</u> | <u>\$ 996,007</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Intergovernmental | \$ 9,606,094 | \$ 4,706,010 | \$ 4,900,084 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (5,318,546) | \$ 577,545 | \$ 5,896,091 |
| OTHER FINANCING (USES) | | | |
| Transfers out | \$ (213,890) | \$ (213,890) | \$ 0 |
| Net change in fund balances | \$ (5,532,436) | \$ 363,655 | \$ 5,896,091 |
| Fund balances - beginning | <u>5,732,403</u> | <u>5,732,403</u> | <u>0</u> |
| Fund balances - ending | <u>\$ 199,967</u> | <u>\$ 6,096,058</u> | <u>\$ 5,896,091</u> |