

Santa Rosa County Florida

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016

SANTA ROSA COUNTY, FLORIDA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2016**

**Donald C. Spencer
Clerk of the Circuit Court, County Court and Comptroller**

**Prepared By:
Clerk of the Circuit Court, County Court and Comptroller
Finance Department**

**Robert J. Miller
Assistant Finance Director**

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INTRODUCTORY SECTION



DONALD C. SPENCER
CLERK OF THE CIRCUIT COURT & COMPTROLLER
SANTA ROSA COUNTY, FLORIDA

Clerk of the County Court & Comptroller
Recorder of Deeds
Clerk and Accountant of the Board of County Commissioners
Custodian of County Funds
County Auditor

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March 17, 2017

To the Citizens of Santa Rosa County:

State law requires that every general-purpose local government publish within twelve months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2016.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Warren Averett, LLC Certified Public Accountants, have issued an unmodified (“clean”) opinion on the Santa Rosa County’s financial statements for the year ended September 30, 2016. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Santa Rosa County, established in 1842, by an act of the Florida Legislature, is on the Northwest Florida Gulf Coast, bordered by Escambia County to the West, Okaloosa County to the East, the State of Alabama to the North and the Gulf of Mexico to the South. The City of Milton is the seat of County government as well as the largest municipality in the County. Santa Rosa County is 1024 square miles of various demographics and environments. Santa Rosa County is empowered to levy a property tax on both real and personal property located within its boundaries.

Santa Rosa County is a Non-Charter County established under the Constitution and the Laws of the State of Florida. Santa Rosa County includes the Board of County Commissioners, the Clerk of the Courts, the Property Appraiser, the Sheriff, the Supervisor of Elections and the Tax Collector.

The Board of County Commissioners serves as the legislative and policy setting body of Santa Rosa County as established under Section 125 of the Florida Statutes. As such, the Board enacts all legislation and authorizes programs and expenditures within the County. The Board appoints

a professionally trained County Administrator who is responsible for policy and budget development and implementation.

The Board is comprised of five members elected countywide. Each member must reside within the particular district for which seat he/she seeks election. Each year the Board organizes itself selecting a Chair and Vice-Chair from among its members to preside at Commission meetings.

The Clerk of Circuit Court performs a wide range of record keeping, information management and financial management in the judicial system and county government.

The Property Appraiser is primarily responsible for identifying, locating and valuing all property within the county for ad valorem tax purposes. He is also responsible for administering exemptions, mapping all parcels and classifying agricultural lands.

The Sheriff provides for the public safety of the citizens of Santa Rosa County through the enforcement of state criminal laws and county ordinances. Preventing and reducing crime and violence through departmental and community based programs.

The Supervisor of Elections administers the election of the elected officials within the county. She maintains the voter registration list, establishes polling places, and educates voters.

The Tax Collector collects and distributes taxes established by city, county, state and other local governments.

Santa Rosa County provides a full range of services including police and fire protection; the construction and maintenance of streets and other infrastructure; water and sewer service on Navarre Beach; solid waste disposal and recycling; the Peter Prince Airport; Industrial Park facilities and recreational and cultural activities.

Local Economy

Santa Rosa County has long been considered a “bedroom community” of the larger Pensacola metropolitan statistical area. Knowing that residential growth does not sustain a healthy tax base, the County has aggressively been promoting the area as a good place to bring new and expanding businesses. The County has an Industrial Park to provide attractive inducements to businesses willing to invest capital and hire employees at above average wages. A second industrial park, Whiting Aviation Park, was recently added near Whiting Field with access to the 6,000 foot runway.

Long-Term Financial Planning and Relevant Financial Policies

Santa Rosa County has undergone significant growth in recent years and the prospect for further growth is very good. The infrastructure to support that growth lags behind. To reduce that lag in infrastructure growth the County established an impact fee. The impact fee is to be levied against new residential and commercial construction. This fee is restricted to the construction of new roads

and other infrastructure. After seven years, any unused funds are to be refunded. This fee was temporarily suspended to help stimulate the local economy.

Tourism, a significant industry for the County, has seen a resurgence in this last year. Tourism had suffered considerable damage from the destruction caused by hurricanes and the BP Oil Spill in recent years.

Major Initiatives

For the year, staff, following specific directives from the Board of County Commissioners and the County Administrator, was involved in a variety of projects throughout the year. These projects reflect the County's commitment to ensuring that its citizens are able to live and work in a desirable environment.

In the current year, approximately 22 miles of roads were paved or resurfaced and 9 bridges were rebuilt or repaired.

The Navarre Beach renourishment project took place this year, with an estimated 1.3 million cubic yards of sand replaced on the beach. It appears this project will come in significantly under original estimates.

Economic development aided in the expansion of four companies including Cape Horn and Gulf Cable in the Industrial Park.

The County financed approximately \$7.3 million upgrade to the 911 system to improve first responders capabilities.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Santa Rosa County, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2015. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

A comprehensive annual financial report of this nature could not have been prepared on a timely basis without the dedicated efforts of the Finance Department who worked many hours on this project. I would like to thank them for their invaluable assistance in the preparation of this report.

I would also like to thank the Board of County Commissioners and their staff, and the other Constitutional Officers for their personal interest and dedicated support in planning and conducting the financial operations of the County in a responsible and progressive manner.

A handwritten signature in black ink, appearing to read "Donald C. Spencer". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Donald C. Spencer
Clerk of the Courts and Comptroller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Santa Rosa County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

Santa Rosa County, Florida
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended September 30, 2016

Board of County Commissioners

Lane Lynchard
Chairman
Jayer Williamson
Vice Chairman

W. D. ‘Don’ Salter
Rob Williamson
Robert A. ‘Bob’ Cole

Elected Constitutional Officers

Donald C. Spencer
Clerk of the Courts and Comptroller

Gregory S. Brown
Property Appraiser

Tappie Villane
Supervisor of Elections

Wendell Hall
Sheriff

Stan Colie Nichols
Tax Collector

County Management

Tony Gomillion
County Administrator

Roy V. Andrews
County Attorney

Jayne Bell
Office of Management and Budget

DeVann Cook
Director of Human Resources

Director of Public Services

Stephen Furman
Director of Public Works

Roger Blaylock
County Engineer

RESIDENTS OF SANTA ROSA COUNTY

Clerk of the Court

Sheriff

Board of County Commissioners

Supervisor of Elections

Property Appraiser


Tax Collector




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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

The Honorable Board of County Commissioners
Santa Rosa County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Santa Rosa County, Florida, (the "County") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund and the road and bridge fund, the schedules of proportionate share of the net pension liability, the schedules of the County's contributions, the schedules of funding progress and employer contributions for other post-employment benefits, 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 the County's basic financial statements. The introductory section, combining individual fund statements and budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining individual fund statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 individual fund statements and budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Warren Averett, LLC

March 17, 2017
Pensacola, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis provides an objective and easily readable analysis of Santa Rosa County's (County) financial activities. The analysis provides summary financial information for the County and should be read in conjunction with the County's financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$178.9 million (*net position*). Of this amount, \$2.6 million represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$4.8 million; governmental activities increased by \$800,000 and business-type activities increased by \$4 million. \$3.9 million of the increase was a result of increased revenues in the Landfill fund generated by a rate increase that was implemented during the current year.
- At the close of the current fiscal year, the County governmental funds reported combined fund balances of \$67.7 million, an increase of \$1.2 million in comparison with the prior year. Approximately 43% of this amount (\$29.4 million) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$36.8 million, or approximately 38.1% of total general fund expenditures.
- The County's total outstanding long-term debt increased by \$2.7 million during the current fiscal year due to financing the acquisition of a 911 system upgrade with a note payable.

OVERVIEW OF THE FINANCIAL STATEMENTS

The County's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to the financial statements*. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

The *Government-wide financial statements* present an overall picture of the County's financial position and results of operations. The *Fund financial statements* present financial information for the County's major funds and non-major funds in the aggregate. The *Notes to the financial statements* provide additional information essential to a full understanding of the data provided in the Government-wide and Fund financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The *Government-wide financial statements* are the statement of net position and the statement of activities. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and business-type activities and the change in net position. Governmental Activities are primarily supported by property taxes, sales taxes, federal and state grants, and state shared revenues. Business-type Activities are supported by charges to the users of those activities, such as water and sewer service charges.

The *statement of net position* presents information on all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the County, with the difference between assets plus deferred outflows and liabilities and deferred inflows reported as net position. Net position is reported in three categories: 1) net

investment in capital assets, 2) restricted, and 3) unrestricted. Assets, deferred outflows, liabilities, deferred inflows and net position are reported for all Governmental Activities separate from the assets, deferred outflows, liabilities, deferred inflows and net position of Business-type Activities.

The *statement of activities* presents information on all revenues and expenses of the County and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the County. To assist in understanding the County's operations, expenses have been reported as governmental activities or business-type activities. Governmental Activities financed by the County include public safety, physical environment, transportation, economic environment, human services, culture and recreation, and general government services. Business-type Activities financed by user charges include water and sewer services, solid waste disposal, and hangar leases.

Fund financial statements

Fund financial statements present financial information for governmental funds and proprietary funds. These statements provide financial information for the major funds of the County. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources. The proprietary funds financial statements provide information on all assets, deferred outflows, liabilities and deferred inflows of the funds, changes in the economic resources (revenues and expenses), and total economic resources.

Fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all governmental funds. A statement of revenues, expenditures, and changes in fund balances - budget and actual, is provided for the County's General Fund and major governmental funds as required supplemental information. For the proprietary funds, which include an internal service fund in addition to business-type activities, a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows are presented. *Fund financial statements* provide more detailed information about the County's activities. Individual funds are established by the County to track revenues that are restricted to certain uses, comply with legal requirements, or account for the use of state and federal grants.

The *government-wide financial statements* and the *fund financial statements* provide different *pictures* of the County. The government-wide financial statements provide an overall picture of the County's financial standing, split between Governmental Activities and Business-type Activities. These statements are comparable to private-sector companies and give a good understanding of the County's overall financial health and how the County paid for the various activities, or functions, provided by the County. All assets of the County, including buildings, tangible property, land, roads, bridges, and similar infrastructure are reported in the statement of net position. All liabilities, including principal outstanding on bonds, capital leases, and future employee benefits obligated but not paid by the County, are included. The statement of activities includes depreciation on all long lived assets of the County. The *fund financial statements* provide a picture of the major funds of the County and a column for all non-major funds. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities are not included in the fund financial statements. Reconciliations are provided from the *fund financial statements* to the *government-wide financial statements* to facilitate a comparison between governmental funds and governmental activities.

Notes to the financial statements

Notes to the financial statements provide additional detail concerning the financial activities and financial balances of the County. Additional information about the accounting practices of the County, investments of

the County, long-term debt, and pension plans are some of the items included in the *notes to the financial statements*.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the County's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found starting on page 71 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found starting on page 80 of this report.

ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of government's financial position. In the case of the County, assets plus deferred outflows exceeded liabilities plus deferred inflows by \$178.9 million as of September 30, 2016.

The largest portion of the County's net position (86%) reflects its investments in capital assets (e.g., land, buildings, equipment, improvements, construction in progress and infrastructure), less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. Although the 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 the capital assets themselves cannot be used to liquidate these liabilities.

At the end of the current fiscal year, the County is able to report both negative and positive balances in all three categories of net position for the County as a whole, as well as for its governmental and business-type activities.

There was an increase in net position from governmental activities of \$827,000. This consisted of an increase of \$3.9 million to net investment in capital assets, an increase of \$1.4 million to restricted net position and a decrease of \$4.4 million to unrestricted net position. The primary reason for the increase to net investment in capital assets was due to a \$7.3 million asset addition for upgrades to the County's 911 system, which was financed with a note. The increase of \$1.4 million in restricted net position was mainly due to grant funding received from the State of Florida for flood mitigation. The decrease in unrestricted net position relates to the beach berm restoration conducted during the current year, of which, the County's portion was approximately \$4.3 million.

There was an increase in net position from business-type activities of \$4 million. This consisted of an increase of \$2 million to net investment in capital assets, an increase of \$3.4 million in restricted net position and a decrease of \$1.4 million to unrestricted net position. The increase in net investment in capital assets was due to the expansion of the landfill. Restricted and unrestricted net position changed as a result of the increase in the landfill closure estimate.

Following is a comparative statement of net position (amounts expressed in thousands):

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 78,160	\$ 81,229	\$ 19,347	\$ 17,518	\$ 97,507	\$ 98,747
Capital assets	146,391	138,951	16,760	15,508	163,151	154,459
Total assets	224,551	220,180	36,107	33,026	260,658	253,206
Deferred outflows of resources	23,910	8,344	648	294	24,558	8,638
Long-term liabilities outstanding	82,779	55,751	14,060	14,543	96,839	70,294
Other liabilities	6,094	8,889	324	317	6,418	9,206
Total liabilities	88,873	64,640	14,384	14,860	103,257	79,500
Deferred inflow of resources	3,001	8,124	65	166	3,066	8,290
Net position						
Net investment in capital assets	139,306	135,371	14,179	12,196	153,485	147,567
Restricted	14,142	12,791	8,640	5,226	22,782	18,017
Unrestricted	3,139	7,598	(513)	872	2,626	8,470
Total net position	\$ 156,587	\$ 155,760	\$ 22,306	\$ 18,294	\$ 178,893	\$ 174,054

Following is a comparative statement of changes in net position (amounts expressed in thousands):

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues						
Charges for services	\$ 32,946	\$ 33,717	\$ 10,388	\$ 8,246	\$ 43,334	\$ 41,963
Operating grants & contributions	12,903	2,761	-	-	12,903	2,761
Capital grants & contributions	3,092	2,880	67	815	3,159	3,695
General revenues						
Property tax	49,251	46,335	-	-	49,251	46,335
Sales, use and fuel tax	9,220	6,182	-	-	9,220	6,182
Communications services	1,264	1,363	-	-	1,264	1,363
Grants and contributions	14,930	14,227	-	-	14,930	14,227
Investment earnings	310	164	92	58	402	222
Other	6,572	11,574	96	243	6,668	11,817
Total revenues	130,488	119,203	10,643	9,362	141,131	128,565
Expenses:						
General government	34,535	33,324	-	-	34,535	33,324
Public safety	47,580	43,855	-	-	47,580	43,855
Physical environment	16,540	3,232	-	-	16,540	3,232
Transportation	16,928	15,552	-	-	16,928	15,552
Economic environment	3,586	4,138	-	-	3,586	4,138
Human services	5,210	5,633	-	-	5,210	5,633
Culture and recreation	4,431	4,458	-	-	4,431	4,458
Interest on long term debt	851	152	-	-	851	152
Water and sewer	-	-	2,019	1,840	2,019	1,840
Airport	-	-	539	435	539	435
Landfill	-	-	4,073	4,662	4,073	4,662
Total expenses	129,661	110,344	6,631	6,937	136,292	117,281
Increase in net position before transfers	827	8,859	4,012	2,425	4,839	11,284
Transfers	-	(142)	-	142	-	-
Change in net position	827	8,717	4,012	2,567	4,839	11,284
Net position, beg. of year	155,760	184,126	18,294	16,771	174,054	200,897
Change in accounting principle	-	(37,083)	-	(1,044)	-	(38,127)
Net position, beg. of year	155,760	147,043	18,294	15,727	174,054	162,770
Net position, end of year	\$ 156,587	\$ 155,760	\$ 22,306	\$ 18,294	\$ 178,893	\$ 174,054

Financial Analysis of Governmental Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The County's governmental funds reported combined ending fund balances of \$67.7 million (43% is unassigned). This is a \$1.2 million increase from the previous year. The increase in fund balances was primarily related to revenues from increased property tax revenues due to higher property values and the implementation of an additional gas tax.

The General fund is the primary operating fund of the County. Expenditures exceeded revenues by \$9.5 million. Expenditures were up by \$20.9 million (27.6%) from the prior year, mostly in physical environment and capital outlay. Increases in physical environment were due to the beach berm restoration conducted on Navarre Beach in the current year and capital outlay expenditures increased primarily due to the upgrade for the County's 911 system and vehicle and equipment purchases for the Sheriff.

The Road and Bridge fund accounts for fuel and other taxes designated for road improvements. During the year, fund balance increased by \$1.6 million primarily due to the implementation of an additional gas tax. Expenditures exceeded revenues by \$624,000 as expected which was covered by transfers from the Electricity Franchise Fund.

Financial Analysis of Proprietary Funds

The Navarre Beach fund accounts for the operations of the Navarre Beach water and sewer system. Revenues increased slightly from the prior year due to increased usage and expenses were up \$178,000 from the prior year resulting in operating income of \$115,000. Expenses increased primarily due to engineering services for repairs plans for a wellhouse. Interest income and disposal of assets led to a net income of \$125,000.

The Landfill fund is used to account for the solid waste disposal operations at the County landfills. Operating revenues increased approximately \$2 million from the prior year due primarily to a rate increase during the year and increased usage. Expenses decreased from the previous year, mostly due to a change in closure and maintenance estimates and a decrease in depreciation as a result of more assets becoming fully depreciated. Operating income was \$4 million and the sales of recycled materials and disposal of assets along with payments to Santa Rosa Clean Community helped the fund to end the year with an overall net position increase of slightly over \$4 million.

Budgetary Analysis

The General fund budget was increased by \$7.7 million from the original budget (an increase of 9.9%). The increases were due to the following: \$2.5 million of the increase was related to the beach berm restoration project expenditures which weren't originally budgeted for at the beginning of the year because the total cost was not known; \$1.3 million of the increase was related to the upgrade to the 911 system;

Actual revenues were approximately \$17 million more than the final budget and expenditures were approximately \$11.7 million more than the final budget. The \$11.7 million overage in expenditures and approximately \$10 million of the overage in revenues relate to the Navarre Beach berm restoration project (the Project) taken on during the year. A consultant was hired for the Project and it was estimated costs would run approximately \$17.8 million. The funding was projected to come as follows, State, Federal & TDC funding of approximately \$7.8 million, County reserves of approximately \$5 million, and a MSBU for approximately \$5 million. Due to the unknown variables of the funding sources and the actual cost to complete, a budget was not originally adopted for the Project at the beginning of fiscal year 2016. An RFP was advertised in December 2015 for the Project and the low bid meeting specifications came in at \$14,920,300 and was approved by the Board of County Commissioners (BOCC), approximately \$2.9 million less than the consultant estimated. Since the bid came in significantly lower than the estimated costs and there were still questions as to the funding sources and the amount from those sources, the Budget Director did not amend the revenue and expenditure budget at that time due to the uncertainties of what the final amounts would be. In June 2016, the contractor for the Project requested the first payment; however, there was not enough in the budget to pay the requested amount. The Finance department

contacted the Budget Director and were advised that a budget amendment would be forthcoming and to go ahead and pay the contractor. In July 2016 there was a deductive change order to the Project for approximately \$2 million. In August 2016, it was finally decided by the BOCC that they would not implement an MSBU to fund a portion of the Project. The final payment to the contractor was made near fiscal year end with some additional work to be performed by the consultant subsequent to year end. The Budget Director, in an attempt to accurately portray the revenues and expenditures related to the Project without having to make numerous budget amendments, planned to adjust the budget accordingly after the fiscal year end, but inadvertently exceeded the 60 day limitation under Florida Statute 129.06. Once this was realized, it was too late to adjust the budget, which resulted in the significant difference between the budget and actual revenues and expenditures.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

**Capital Assets at Year-end
(Net of Depreciation, in Thousands)**

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Land	\$ 19,802	\$ 19,605	\$ 1,191	\$ 1,191	\$ 20,993	\$ 20,796
Construction in progress	371	1,167	63	40	434	1,207
Buildings	19,444	21,961	1,919	2,048	21,363	24,009
Improvements other than buildings	87,554	85,675	12,545	10,948	100,099	96,623
Machinery, furniture and equip.	19,221	10,542	1,042	1,280	20,263	11,822
Totals	\$ 146,392	\$ 138,950	\$ 16,760	\$ 15,507	\$ 163,152	\$ 154,457

As of September 30, 2016 the County had \$163 million invested in a broad range of capital assets, including land, buildings, equipment, park facilities, roads and other infrastructure. (See table above.) This amount represents a net increase (including additions, discoveries and deductions) of \$8.7 million from last year.

This year's major additions included:

Motorola 911 Upgrade	\$ 7,279,240
Landfill Expansion	\$ 2,538,373
Gemstone Circle	\$ 916,000
Perception Circle	\$ 910,668
Oak Orchard Circle	\$ 788,334
Preservation Blvd	\$ 702,334

Outstanding Debt at Year-end
(in Thousands)

	Governmental		Business-type		Totals	
	Activities		Activities			
	2016	2015	2016	2015	2016	2015
Revenue bonds	\$ -	\$ 289	\$ -	\$ 289	\$ -	\$ 578
Notes payable	5,397	922	2,581	3,041	7,978	3,963
Special assessment notes	1,688	2,369	-	-	1,688	2,369
Totals	\$ 7,085	\$ 3,580	\$ 2,581	\$ 3,330	\$ 9,666	\$ 6,910

More detailed information about the County's capital assets and long term liabilities is presented in Notes F & G to the financial statements, respectively.

OTHER CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Subsequent to year end, the citizens of Santa Rosa County voted in favor of a ½ cent Local Option Sales Tax (LOST). The sales tax went into effect January 1, 2017. It is expected to generate approximately \$430,000 to \$450,000 in revenue for fiscal year 2017. The LOST funds will be used for public safety, transportation, and drainage expenditures. A new fund will be established to track the LOST revenues and expenditures separately from any other funds.

BASIC FINANCIAL STATEMENTS

Santa Rosa County, Florida

STATEMENT OF NET POSITION

September 30, 2016

ASSETS	Governmental <u>Activities</u>	Business-type <u>Activities</u>	<u>Total</u>
Cash and cash equivalents	\$ 60,011,159	\$ 8,955,655	\$ 68,966,814
Investments	2,671,936	8,639,599	11,311,535
Receivables, net	15,604,140	1,246,362	16,850,502
Internal balances	(505,000)	505,000	--
Inventory	378,340	--	378,340
Capital assets, net			
Nondepreciable	20,171,977	1,253,935	21,425,912
Depreciable	126,219,460	15,506,255	141,725,715
Total assets	<u>224,552,012</u>	<u>36,106,806</u>	<u>260,658,818</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows on pension	21,172,482	545,320	21,717,802
Deferred outflows on health insurance subsidy	2,737,184	103,190	2,840,374
Total deferred outflows of resources	<u>23,909,666</u>	<u>648,510</u>	<u>24,558,176</u>
LIABILITIES			
Accounts payable	2,253,842	197,554	2,451,396
Accrued wages payable	1,270,111	54,663	1,324,773
Interest payable	649,956	--	649,956
Due to other governments	1,362,935	1,448	1,364,384
Deposits	336,232	70,786	407,018
Unearned revenue	220,994	--	220,994
Noncurrent liabilities			
Due within one year	6,445,934	713,809	7,159,744
Due in more than one year	76,333,420	13,345,875	89,679,295
Total liabilities	<u>88,873,424</u>	<u>14,384,136</u>	<u>103,257,560</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows on pension	2,654,097	53,420	2,707,517
Deferred inflows on health insurance subsidy	346,630	11,625	358,255
Total deferred inflows of resources	<u>3,000,727</u>	<u>65,045</u>	<u>3,065,772</u>

Continued ...

Santa Rosa County, Florida

STATEMENT OF NET POSITION (Continued)

September 30, 2016

NET POSITION	Governmental Activities	Business-type Activities	Total
Net investment in capital assets	139,306,062	14,179,449	153,485,511
Restricted for:			
Landfill closure	--	8,639,599	8,639,599
Communications	1,367,296	--	1,367,296
Boating improvement	408,073	--	408,073
Domestic violence	163,025	--	163,025
Voter education	3,609	--	3,609
Pollworker recruitment	1,887	--	1,887
Federal elections	7,240	--	7,240
Partners for pets	82,079	--	82,079
Navarre Beach Bridge maintenance	310,911	--	310,911
Law Enforcement Trust Fund	115,047	--	115,047
Crime prevention	383,628	--	383,628
Mosquito control	37,217	--	37,217
Federal and state grants	1,544,059	--	1,544,059
Enhanced 911 system	1,092,623	--	1,092,623
Tourist development	2,363,273	--	2,363,273
Infrastructure development	1,565,717	--	1,565,717
State Housing Improvement Program	765,087	--	765,087
Flood Mitigation	1,044,414	--	1,044,414
Road and sewer construction	610,672	--	610,672
Canal maintance	94,515	--	94,515
Street lighting	77,073	--	77,073
State court operations	34,268	--	34,268
Court equipment and technology	581,186	--	581,186
Records modernization trust fund	445,668	--	445,668
Law enforcement training	33,732	--	33,732
Inmate welfare purchases	1,010,140	--	1,010,140
Unrestricted	3,139,025	(512,914)	2,626,111
Total net position	<u>\$ 156,587,527</u>	<u>\$ 22,306,134</u>	<u>\$ 178,893,661</u>

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

STATEMENT OF ACTIVITIES

Year ended September 30, 2016

Functions/Programs:	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 34,534,581	\$ 20,165,926	\$ 769,956	\$ --	\$ (13,598,699)		\$ (13,598,699)
Public safety	47,580,239	7,526,515	1,343,200	88,084	(38,622,440)		(38,622,440)
Physical environment	16,540,405	4,680,733	6,919,864	195,201	(4,744,607)		(4,744,607)
Transportation	16,928,328	47,551	92,258	1,219,510	(15,569,010)		(15,569,010)
Economic environment	3,585,571	--	2,821,632	1,588,909	824,971		824,971
Human services	5,209,959	37,259	903,976	--	(4,268,724)		(4,268,724)
Culture and recreation	4,430,637	488,274	51,862	--	(3,890,501)		(3,890,501)
Interest on long-term debt	851,086	--	--	--	(851,086)		(851,086)
Total governmental activities	129,660,806	32,946,258	12,902,748	3,091,704	(80,720,096)		(80,720,096)
Business-type activities:							
Navarre Beach water and sewer	2,019,652	2,124,356	--	--		\$ 104,704	104,704
Peter Prince Airport	539,498	297,943	--	64,242		(177,313)	(177,313)
Landfill	4,072,679	7,965,978	--	2,912		3,896,210	3,896,210
Total business-type activities	6,631,829	10,388,276	--	67,154		3,823,601	3,823,601
Total	136,292,635	43,334,534	12,902,748	3,158,858	(80,720,096)	3,823,601	(76,896,495)
General revenues:							
Taxes							
Property taxes					49,251,991	--	49,251,991
Sales, use and fuel taxes					9,220,510	--	9,220,510
Communication services taxes					1,264,504	--	1,264,504
Grants and contributions not restricted to specific programs					14,929,576	--	14,929,576
Unrestricted investment earnings					309,686	91,861	401,547
Miscellaneous					6,571,760	11,044	6,582,804
Gain on sale of assets					--	85,312	85,312
Transfers					--	--	--
Total general revenues and transfers					81,548,027	188,217	81,736,245
Change in net position					827,931	4,011,819	4,839,750
Net position - beginning					155,759,596	18,294,315	174,053,911
Net position - ending					\$ 156,587,527	\$ 22,306,134	\$ 178,893,661

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2016

ASSETS	General	Road and Bridge	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 28,142,390	\$ 6,895,125	\$ 21,028,933	\$ 56,066,448
Investments	2,032,918	--	--	2,032,918
Receivables, net of uncollectibles			--	
Accounts	76,127	--	660,196	736,323
Leases - current	384,934	--	--	384,934
Interest	--	--	--	--
Notes	436,375	--	--	436,375
Due from other governments	11,005,603	1,685,767	1,307,202	13,998,572
Due from other funds	1,360,900	840	262,148	1,623,888
Inventory	62,459	315,881	--	378,340
Total assets	\$ 43,501,707	\$ 8,897,613	\$ 23,258,478	\$ 75,657,798
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,788,539	\$ 169,630	\$ 207,490	\$ 2,165,660
Accrued wages payable	1,022,167	135,593	107,325	1,265,085
Deposits	336,232	--	--	336,232
Unearned revenue	140,846	--	80,148	220,994
Due to other funds	58,145	--	2,070,743	2,128,888
Due to other governments	809,549	--	553,386	1,362,935
Total liabilities	4,155,478	305,223	3,019,092	7,479,793
Deferred inflows of resources:				
Deferred inflows of resources related to note receivable	436,375	--	--	436,375
Combined liabilities and deferred inflows of resources	4,591,853	305,223	3,019,092	7,916,168
Fund balances:				
Nonspendable	62,459	315,881	--	378,340
Restricted	2,033,211	310,911	11,798,318	14,142,440
Committed	3,599,876	--	8,385,969	11,985,844
Assigned	2,967,560	7,965,599	941,889	11,875,048
Unassigned	30,246,748	--	(886,790)	29,359,958
Total fund balances	38,909,854	8,592,390	20,239,386	67,741,630
Total liabilities and fund balances	\$ 43,501,707	\$ 8,897,613	\$ 23,258,478	\$ 75,657,798

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

**RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION**

September 30, 2016

Total Governmental Funds Balances		\$ 67,741,630
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Total capital assets, net, see Note F	146,391,436	
Less: Internal Service Fund capital assets	(3,638)	146,387,797
Long-term receivables are not available to pay for current period expenditures and, therefore, are deferred on the modified accrual basis in governmental funds.		436,375
Deferred outflows of resources are presented in governmental activities on the Statement of Net Position, but are not reported in the governmental funds:		
Deferred outflows on pension	21,172,482	
Less: Internal Service Fund Deferred outflows on pensions	(54,834)	
Deferred outflows on health insurance subsidy	2,737,184	
Less: Internal Service Fund Deferred outflows on health insurance subsidy	(11,014)	23,843,818
Long term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Total long-term liabilities, see Note G	(82,779,353)	
Add: interest payable due to interest accruals	(649,956)	
Less: Internal Service Fund insurance claims payable	2,001,028	
Less: Internal Service Fund compensated absences	5,488	
Less: Internal Service Fund other postemployment benefits liability	30,852	
Less: Internal Service Fund net pension liability	124,350	
Less: Internal Service Fund net health insurance subsidy liability	72,777	(81,194,814)
Deferred inflows of resources are presented in governmental activities on the Statement of Net Position, but are not reported in the governmental funds:		
Deferred inflows on pension	(2,654,097)	
Less: Internal Service Fund deferred inflows on pensions	13,134	
Deferred inflows on health insurance subsidy	(346,630)	
Less: Internal Service Fund deferred inflows on health insurance subsidy	1,153	(2,986,440)
Internal service funds are used by management to charge the costs of providing insurance coverage to individual funds and therefore, the assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.		2,359,160
Net Position of Governmental Activities		\$ 156,587,527

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

Year ended September 30, 2016

	General	Road and Bridge	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 50,865,577	\$ 6,952,321	\$ 1,919,108	\$ 59,737,006
Permits, fees and special assessments	2,622,070	169,631	10,952,836	13,744,537
Intergovernmental	21,485,988	5,303,982	4,414,217	31,204,188
Charges for services	9,894,873	62,290	4,704,246	14,661,408
Fines and forfeits	356,270	--	1,056,074	1,412,344
Miscellaneous	1,865,246	620,535	681,081	3,166,861
Total revenues	87,090,024	13,108,758	23,727,561	123,926,343
Expenditures				
Current				
General government	23,455,409	--	5,200,116	28,655,525
Public safety	48,552,825	--	5,848,668	54,401,493
Physical environment	14,830,625	1,040,380	510,897	16,381,902
Transportation	1,003,220	12,692,332	347,429	14,042,981
Economic environment	582,086	--	2,912,217	3,494,303
Human services	4,862,718	--	180,282	5,043,000
Culture and recreation	3,339,112	--	50,162	3,389,274
Capital outlay	--	--	605,546	605,546
Debt service	--	--	1,969,626	1,969,626
Total expenditures	96,625,995	13,732,712	17,624,943	127,983,650
Excess (deficiency) of revenues over expenditures	(9,535,971)	(623,954)	6,102,618	(4,057,307)
Other financing sources (uses)				
Transfers in	6,961,940	2,306,158	4,989,000	14,257,098
Transfers out	(2,868,839)	(34,788)	(11,303,471)	(14,207,098)
Proceeds from debt	5,279,240	--	--	5,279,240
Total other financing sources (uses)	9,372,341	2,271,370	(6,314,471)	5,329,240
Net change in fund balances	(163,630)	1,647,416	(211,853)	1,271,933
Fund balances, beginning of year	39,096,702	6,948,019	20,451,239	66,495,960
Change in reserve for inventory	(23,218)	(3,045)	--	(26,263)
Fund balances, end of year	\$ 38,909,854	\$ 8,592,390	\$ 20,239,386	\$ 67,741,630

The accompanying notes are an integral part of these financial statements.

Santa Rosa 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, 2016

Net Change in Fund Balances - Total Governmental Funds \$ 1,271,933

*Amounts reported for governmental activities in the
statement of activities are different because:*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period these amounts are:

Current period investment in capital assets	19,847,819
Current period depreciation	(10,845,630)
Current period loss on disposal of capital assets, net of proceeds	(1,559,357)

In the statement of activities, interest is accrued on outstanding loans, whereas in governmental funds, an interest expenditure is reported when due.

Change in interest payable	(636,692)
----------------------------	-----------

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Also debt proceeds are an other financing source in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.

Current period change in compensated absences	217,918
Current period note payments	803,533
Current period revenue bond payments	289,295
Current period special assessment note payments	680,733
Current period bond refunding costs	(18,329)
Current period debt proceeds	(5,279,240)
Current period change in pension liability	(22,008,406)
Current period change in health insurance subsidy	(1,488,456)
Current period increase in other post employment benefits liability	(503,460)
Current period change in deferred outflow of resources on pensions	14,350,513
Current period change in deferred inflow of resources on pensions	5,383,237
Current period change in deferred outflow of resources on health insurance subsidy	1,205,322
Current period change in deferred inflow of resources on health insurance subsidy	(268,029)

Internal service funds are used by management to charge the costs of providing insurance coverage and therefore, the change in net assets of the internal service fund is included in governmental activities in the Statement of Activities.

(588,510)

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 funds

Change in reserve for inventory	(26,263)
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Change in Net Position of Governmental Activities \$ 827,931

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

September 30, 2016

ASSETS	Business-type Activities				Governmental
	Major Funds				Activities
	Navarre Beach	Landfill	Peter Prince Field	Total Enterprise Funds	Internal Service Fund
Current assets:					
Cash and cash equivalents	\$ 3,163,428	\$ 4,747,079	\$ 1,045,148	\$ 8,955,655	\$ 3,944,711
Investments	--	--	--	--	639,018
Accounts receivable	176,332	992,484	8,498	1,177,314	29,820
Due from other governments	--	--	69,048	69,048	18,115
Due from other funds	--	505,000	--	505,000	--
Total current assets	3,339,760	6,244,563	1,122,694	10,707,017	4,631,664
Noncurrent assets					
Restricted investments	--	8,639,599	--	8,639,599	--
Capital assets, net of accumulated depreciation	5,221,457	7,383,016	4,155,717	16,760,190	3,638
Total noncurrent assets	5,221,457	16,022,615	4,155,717	25,399,789	3,638
Total assets	8,561,217	22,267,178	5,278,411	36,106,806	4,635,303
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflow on pension	118,314	418,161	8,844	545,320	54,834
Deferred outflow on health insurance subsidy	22,915	78,606	1,668	103,190	11,014
Total deferred outflows of resources	141,230	496,767	10,512	648,510	65,848
LIABILITIES					
Current liabilities					
Accounts payable	116,460	69,822	11,272	197,554	88,182
Current portion of claims payable	--	--	--	--	1,411,995
Accrued wages payable	10,229	43,645	788	54,663	5,026
Due to other governments	--	--	1,448	1,448	--
Compensated absences - current portion	23,330	195,000	--	218,330	5,488
Note payable - current	478,220	--	--	478,220	--
Deposits	10,700	58,836	1,250	70,786	--
Current portion of landfill closure costs	--	17,259	--	17,259	--
Total current liabilities	638,940	384,562	14,759	1,038,261	1,510,690
Noncurrent liabilities					
Long term portion of compensated absences	--	95,029	--	95,029	--
Long term portion of claims payable	--	--	--	--	589,033
Long term portion of landfill closure costs	--	9,210,615	--	9,210,615	--
Note payable - noncurrent	2,102,521	--	--	2,102,521	--
Net pension liability	252,677	849,147	18,061	1,119,885	124,350
Net health insurance subsidy liability	135,454	418,148	8,984	562,586	72,777
OPEB liability	61,919	190,858	2,462	255,239	30,852
Total noncurrent liabilities	2,552,571	10,763,798	29,506	13,345,875	817,013
Total liabilities	3,191,511	11,148,359	44,266	14,384,136	2,327,703
DEFERRED INFLOWS OF RESOURCES					
Deferred inflow on pension	18,005	34,616	799	53,420	13,134
Deferred inflow on health insurance subsidy	2,509	8,928	189	11,625	1,153
Total deferred inflows of resources	20,514	43,543	988	65,045	14,287
NET POSITION					
Net investment in capital assets	2,640,716	7,383,016	4,155,717	14,179,449	3,638
Restricted for landfill closure	--	8,639,599	--	8,639,599	--
Unrestricted	2,849,705	(4,450,572)	1,087,953	(512,914)	2,355,522
Total net position	\$ 5,490,421	\$ 11,572,043	\$ 5,243,670	\$ 22,306,134	\$ 2,359,160

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS

Year ended September 30, 2016

	Business-type Activities				Governmental
	Major Funds				Activities
	Navarre Beach	Landfill	Peter Prince Field	Total Enterprise Funds	Internal Service Fund
Operating revenues					
Permits, fees and special assessments	\$ --	\$ 38,450	\$ --	\$ 38,450	\$ --
Charges for services	2,124,356	7,927,528	297,943	10,349,826	921,249
Insurance proceeds	--	--	--	--	744,219
Miscellaneous	8,502	2,315	226	11,044	830
Total operating revenues	<u>2,132,858</u>	<u>7,968,293</u>	<u>298,169</u>	<u>10,399,320</u>	<u>1,666,298</u>
Operating expenses					
Personal services	492,977	2,022,555	37,816	2,553,348	192,699
Contract services	591,032	550,769	93,938	1,235,739	177,284
Supplies	104,171	47,708	--	151,879	21,623
Repairs and maintenance	165,551	528,247	51,457	745,255	1,078
Utilities	86,342	58,158	18,448	162,948	--
Depreciation	545,639	529,251	336,897	1,411,787	1,689
Amortization	--	18,329	--	18,329	--
Travel and per diem	--	7,132	--	7,132	3,109
Insurance	8,050	25,000	--	33,050	746,131
Communications	12,373	16,158	222	28,753	756
Advertising	1,196	698	--	1,894	--
Fuel and oil	7,416	181,700	--	189,116	--
Rentals	--	303,559	--	303,559	--
Landfill closure and maintenance	--	(287,991)	--	(287,991)	--
Claims	--	--	--	--	1,064,235
Miscellaneous	3,081	8,272	719	12,072	17,505
Total operating expenses	<u>2,017,828</u>	<u>4,009,545</u>	<u>539,498</u>	<u>6,566,870</u>	<u>2,226,111</u>
Operating income (loss)	115,030	3,958,749	(241,329)	3,832,450	(559,813)
Non-operating revenues (expenses)					
Investment income	10,961	77,425	3,475	91,861	21,303
Interest expense	(1,824)	(3,135)	--	(4,959)	--
Sale of recycled materials	--	62,271	--	62,271	--
Gain (loss) on disposal of assets	1,300	21,742	--	23,042	--
Aid to private organizations	--	(60,000)	--	(60,000)	--
Total non-operating revenues (expenses)	<u>10,437</u>	<u>98,302</u>	<u>3,475</u>	<u>112,214</u>	<u>21,303</u>
Income (loss) before contributions and transfers	125,468	4,057,051	(237,854)	3,944,664	(538,510)
Transfers out	--	--	--	--	(50,000)
Capital contribution	--	2,912	64,242	67,154	--
Change in net position	125,468	4,059,963	(173,612)	4,011,819	(588,510)
Net position, beginning of year	<u>5,364,953</u>	<u>7,512,080</u>	<u>5,417,282</u>	<u>18,294,315</u>	<u>2,947,670</u>
Net position, end of year	<u>\$ 5,490,421</u>	<u>\$ 11,572,043</u>	<u>\$ 5,243,670</u>	<u>\$ 22,306,134</u>	<u>\$ 2,359,160</u>

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year ended September 30, 2016

	Business-type Activities				Governmental
	Major Funds			Total Enterprise Funds	Internal
	Navarre Beach	Landfill	Peter Prince Field		Service Fund
Cash flows from operating activities					
Cash received from customers	\$ 2,143,763	\$ 7,665,665	\$ 278,840	\$ 10,088,268	\$ 830
Cash paid to suppliers	(1,968,115)	(6,264,292)	(233,386)	(8,465,792)	(2,668,149)
Cash paid to employees	535,864	2,072,234	38,944	2,647,042	237,575
Cash received from interfund services provided	--	--	--	--	1,648,982
Cash paid for internal services provided	--	--	--	--	(270,560)
Net cash provided (used) by operating activities	<u>711,513</u>	<u>3,473,607</u>	<u>84,398</u>	<u>4,269,518</u>	<u>(1,051,323)</u>
Cash flows from noncapital financing activities					
Transfers out	--	--	--	--	(50,000)
Sale of recycled materials	--	62,271	--	62,271	--
Aid to private organizations	--	(60,000)	--	(60,000)	--
Net cash provided (used) by noncapital financing activities	<u>--</u>	<u>2,271</u>	<u>--</u>	<u>2,271</u>	<u>(50,000)</u>
Cash flows from capital and related financing activities					
Proceeds from sale of assets	--	44,158	--	44,158	--
Capital contribution	--	2,912	64,242	67,154	--
Purchases of capital assets	(47,080)	(2,661,262)	--	(2,708,342)	--
Principal paid on capital debt	(460,321)	(289,295)	--	(749,615)	--
Interest paid on capital debt	(1,824)	(3,135)	--	(4,959)	--
Net cash provided (used) by capital and related financing activities	<u>(509,225)</u>	<u>(2,906,621)</u>	<u>64,242</u>	<u>(3,351,604)</u>	<u>--</u>
Cash flows from investing activities					
Interest and dividends	10,961	77,425	3,475	91,861	21,303
Net sale (purchase) of investments	--	(3,413,293)	--	(3,413,293)	(6,494)
Net cash provided (used) by investing activities	<u>10,961</u>	<u>(3,335,868)</u>	<u>3,475</u>	<u>(3,321,432)</u>	<u>14,809</u>
Net increase (decrease) in cash and cash equivalents	213,249	(2,766,612)	152,116	(2,401,248)	(1,086,513)
Cash and cash equivalents at beginning of year	<u>2,950,179</u>	<u>7,513,691</u>	<u>893,033</u>	<u>11,356,902</u>	<u>5,031,224</u>
Cash and cash equivalents at end of year	<u>\$ 3,163,428</u>	<u>\$ 4,747,079</u>	<u>\$ 1,045,148</u>	<u>\$ 8,955,655</u>	<u>\$ 3,944,711</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ 115,030	\$ 3,958,749	\$ (241,329)	\$ 3,832,450	\$ (559,813)
Adjustments to reconcile operating income to net cash provided (used) by operating activities					
Depreciation expense	545,639	529,251	336,897	1,411,787	1,689
Landfill closure costs	--	(287,991)	--	(287,991)	--
Gain (loss) on disposal of capital assets	1,300	21,742	--	23,042	--
Changes in assets and liabilities:					
Accounts receivable	10,905	(302,628)	(1,140)	(292,863)	(16,486)
Due from other governments	--	--	(18,189)	(18,189)	(18,115)
Due from other funds	--	(505,000)	--	(505,000)	--
Accounts payable	59,874	7,710	7,311	74,895	(153,393)
Contracts payable	--	--	--	--	--
Accrued compensation	(14,913)	(52,435)	(1,128)	(68,475)	(8,617)
Compensated absences	(27,974)	2,756	--	(25,218)	(36,259)
Due to other governments	--	--	(135)	(135)	--
OPEB liability	3,259	12,699	266	16,224	1,316
Claims payable	--	--	--	--	(270,560)
Deposits	(900)	2,083	400	1,583	--
Net pension liability	100,717	392,434	8,216	501,367	40,659
Net health insurance subsidy	12,396	48,300	1,011	61,707	5,004
Deferred outflows of resources	(73,493)	(274,855)	(6,124)	(354,472)	(28,542)
Deferred inflows of resources	(20,328)	(79,208)	(1,658)	(101,194)	(8,207)
Net cash provided (used) by operating activities	<u>\$ 711,513</u>	<u>\$ 3,473,607</u>	<u>\$ 84,398</u>	<u>\$ 4,269,518</u>	<u>\$ (1,051,323)</u>
Noncash Investing, Capital and Financing Activities:					
Amortized deferred charges	<u>\$ --</u>	<u>\$ 18,329</u>	<u>\$ --</u>	<u>\$ 18,329</u>	<u>\$ --</u>

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

**STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS**

September 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 5,656,135
Accounts receivable	153,269
Due from other governments	10,902
Total assets	<u>\$ 5,820,306</u>
LIABILITIES	
Accounts payable	\$ 59,909
Deposits	3,138,244
Due to other governments	2,599,082
Miscellaneous	23,071
Total liabilities	<u>\$ 5,820,306</u>

SANTA ROSA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016
GUIDE TO NOTES

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Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies applied consistently in the preparation of the financial statements follows:

1. Reporting Entity

The Governmental Accounting Standards Board (GASB) has established standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations. As concluded by the GASB, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Santa Rosa County, Florida (the County) is a political subdivision of the State of Florida created pursuant to Article 8, Section 1(e), of the Constitution of the State of Florida and Chapter 7 of the Florida Statutes. It is governed by a five member Board of County Commissioners (the Board) elected from single-member districts. The Board has no powers other than those expressly vested in it by the Florida Statutes and its governmental powers cannot be delegated. The Board appoints an administrator to administer all policies emanating from its statutory powers and authority. In addition to the Board, there are five elected Constitutional Officers, pursuant to Article 8, Section 1(d) of the Constitution of the State of Florida: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

These financial statements include the operating activities of the Board, Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

Dependent Special Districts

Blackwater Soil & Water Conservation District - The Blackwater Soil & Water Conservation District (Blackwater) was created by the Florida Legislature in 1942 pursuant to Florida Statute Section 582. Santa Rosa County was established as the local governing authority and is Blackwater's only source of funding. Blackwater does not meet the criteria as a legally separate entity in that it cannot buy, sell, own, lease and mortgage property in its own name. The activities of Blackwater are included in these financial statements as a department of the County within the General Fund.

Pace Property Finance Authority - The Pace Property Finance Authority (Authority) was created in 1990 by County Resolution No. 90-12 pursuant to Chapter 617 of the Florida Statutes. In accordance with Florida Statutes Section 189.403, the Authority qualifies as a dependent special district. Additionally, the Authority is a component unit of the County. However, the Authority meets the criteria for inclusion in more than one reporting entity - Pace Water System as well as the County. In these cases, judgment must be exercised by management of the reporting entities as to which reporting entity the organization should be included. The Authority has the same elected governing body as the Pace Water System. Additionally, both

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES – Continued

the Authority and Pace Water System own portions of a single water/sewer system; thus, their capital assets are part of an interconnected system. Finally, the Authority's debt was issued solely to finance the Pace water/sewer system improvements. Based on these facts, management has decided to include the Authority in the combined financial statements of Pace Water System rather than as a component unit of the County.

Santa Rosa County Health Facilities Authority - The Santa Rosa County Health Facilities Authority (Authority) was created in 1982 by County Ordinance No. 82-02 pursuant to Section 154, Florida Statutes. In accordance with Florida Statutes Section 189.403, the Authority qualifies as a dependent special district. Additionally, the Authority is a component unit of the County. The County appoints the five (5) members of the Authority. Additionally, the County may abolish the Authority at any time by ordinance or resolution as long as all bonded indebtedness incurred by the Authority has been paid. The Authority exists solely to assist health facilities within the County with the acquisition, construction, financing, and refinancing of projects through issuance of conduit debt. All bonds issued by the Authority were subsequently defeased through issuance of new debt culminating with the issuance of \$58 million in new bonds in 2003. The debt outstanding is a limited obligation of the Authority and not a general obligation of the Authority or the County. The Authority is not obligated to pay the principal and interest on the bonds except from the revenues of the Authority pursuant to its loan agreement with Gulf Breeze Hospital. The Authority has no financial activity and the bonds issued under the Authority's name are recorded in the books of the hospital.

Santa Rosa County Housing Finance Authority - The Santa Rosa County Housing Finance Authority (Authority) was created in 1984 by County Resolution No. 84-18 pursuant to Chapter 78-89, Laws of Florida codified as Chapter 159, Part IV, Section 159.601 through 159.623. In accordance with Florida Statutes Section 189.403, the Authority qualifies as a dependent special district. Additionally, based on the criteria outlined above, the Authority is a component unit of Santa Rosa County. The Santa Rosa County Board of County Commissioners, through various resolutions and interlocal agreements with the Escambia County Housing Finance Authority (ECHFA), has authorized ECHFA to allow qualified residents of Santa Rosa County to apply for and obtain preferential mortgages from proceeds generated by bonds issued by ECHFA. Accordingly, there is no financial activity related to the Santa Rosa County Housing Finance Authority to be reflected in these financial statements.

2. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The County groups its funds into two broad fund categories as either governmental or proprietary in nature. Governmental funds include the general, special revenue, debt service and capital project funds. Proprietary funds include enterprise funds and an internal service fund.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

3. Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Fiduciary funds are excluded from the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund financial statements.

The government-wide Statement of Activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the County and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the County.

Net position should be reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other purposes result from special revenue funds and the restrictions on their use. In a fund with both restricted and unrestricted positions, qualified expenses are considered to be paid first from restricted net position then from unrestricted net position. The government-wide statement of net position reports \$23,548,402 of restricted net position, of which \$23,136,324 is restricted by enabling legislation.

FUND FINANCIAL STATEMENTS

The Fund financial statements, as presented herein, focus primarily on the major funds of the governmental and proprietary categories. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

GOVERNMENTAL FUNDS

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The major governmental funds are:

- General Fund – This is the County’s primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- Road and Bridge Fund – Accounts for that portion of state fuel taxes and fees designated for road improvement projects.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within one month of year-end and available to pay obligations of the current period – except for certain grant revenues which are recognized as revenues in the same period the grant expenditures occurred). This includes investment earnings, property taxes, special assessments, and fines and forfeitures. Certain state-levied locally shared taxes including motor vehicle license tax and fuel taxes are considered derived non-exchange transactions. These types of transactions are subject to income recognition when the underlying transaction occurs. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

Other revenues, including licenses and permits, certain charges for services and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on governmental long-term debt, which has not matured, are recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

PROPRIETARY FUNDS

All proprietary funds use the accrual basis of accounting and the economic resources measurement focus. These funds account for operations that are primarily financed by user charges. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility service receivables are recorded at each year-end.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all the County's enterprise funds and internal service fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The major proprietary funds are:

- Navarre Beach Fund – Accounts for the operation and maintenance of the water and sewer system of Navarre Beach.
- Landfill Fund – Accounts for the operation of the solid waste disposal facilities of the County.
- Peter Prince Fund – Accounts for the operations of the Peter Prince Airport.

The County's only internal service fund is the Self Insurance Fund. This fund accounts for the risk management activities of the Board and the other elected officials. Costs are billed to the departments and other elected officials at the actual and estimated costs of providing insurance coverage. At year-end, uncovered costs are billed to the departments, if necessary. Billings in excess of costs are credited to the departments. The policy of the County is not to eliminate interfund activity, i.e. the estimated insurance costs billed to the departments, in the government-wide statement of activities, so as to better reflect the true operating costs of those departments.

FIDUCIARY FUNDS

Agency funds are used to account for assets of others for which the County acts as an agent. The County has thirteen agency fiduciary funds:

- Clerk's Fine and Cost Fund – Traffic and other fines are collected by the Clerk and remitted to the various governmental agencies.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

- Clerk's Intangible Tax Fund – The Clerk collects intangible tax and remits to the Department of Revenue.
- Clerk's Court Registry Fund - accounts for funds deposited pursuant to court order pending the outcome of legal action and are distributed by order of the court.
- Clerk's State Documentary Stamp Fund – The Clerk collects documentary stamps tax as an agent for the State of Florida and remits the revenue, less commission, to the Department of Revenue.
- Clerk's Suspense Fund – The Clerk collects fees for marriage licenses, spousal abuse and restitution. Also the Clerk Collects money for the State co-educational trust fund and attorney's fees. Distributions on payments and remittances are made as appropriate to the various agencies or individuals.
- Clerk's Tax Redemption Fund - accounts for tax deed application fees and tax deed bids and makes distributions on payments as appropriate.
- Clerk's Ordinary Witness Fund – accounts for the funds collected and paid to witnesses.
- Clerk's Bail Bond Fund - accounts for the collection and disbursement of bond monies posted by individuals upon arrest. These monies are held by the Clerk until final disposition instructions are received from the court.
- Clerk's Flower Trust Fund – accounts for the collection and disbursement of funds donated by employees to purchase flowers for certain occasions.
- Tax Collector's Tax Fund - accounts for receipts of various types of taxes, licenses, and fees collected on behalf of state, county, and municipal governmental agencies.
- Sheriff's Suspense Fund - accounts for the collection of monies obtained from the Sheriff's sale of abandoned and confiscated property, various court levies, writs of execution, and miscellaneous receipts and the subsequent disbursements to individuals, state agencies, and the Board of County Commissioners.
- Sheriff's Seizure Fund - accounts for cash confiscated by the Sheriff's department which is held pending disposition.
- Sheriff's Flower Fund – accounts for the collection and disbursement of funds donated by employees to purchase flowers for certain occasions.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

4. Budgets and Budgetary Accounting

Florida Statutes Chapters 129 and 200 govern the preparation, adoption, and administration of the County's annual budget. The budget must be balanced, i.e., the estimated revenues plus beginning fund balance brought forward must equal appropriations and be prepared on a basis consistent with generally accepted accounting principles (GAAP) as applicable to governmental units. The Board may, at any time within a fiscal year, amend a budget for that year as follows:

Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by motion recorded in the minutes. The budget officer may authorize certain inter-departmental and intra-departmental budget amendments, provided that the total appropriation of the fund is not changed. All annual appropriations lapse at fiscal year end.

Budgets are required for all governmental funds except:

Special Revenue Funds:
 Sheriff's Grants
 Sheriff's Second Dollar
 Sheriff's Prisoner Recreation
 Sheriff's Federal Seizure

Budgets are not initially authorized but subsequently amended for the following funds:

Special Revenue Funds:
 Disaster
 Grants
 Impact Fees
 SHIP Program

5. Cash and Cash Equivalents

For purposes of the statements of cash flows, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

6. Investments

Investments in U.S. Treasury bills, government backed securities and the Florida Local Government Investment Trust Fund are recorded at fair value. As permitted by GASB Statement No. 72, bank certificates of deposit and short term money market investments are reported at amortized cost rather than fair value.

7. Inventory

Inventory consists of gas, oil, automotive parts, road signs, culverts, and various other items used by the road department and insecticides used by mosquito control operations. Inventory is valued at cost (first in, first out). The cost is recorded as an expenditure at the time the inventory is purchased.

In the fund level statements, reported inventories are equally offset by a nonspendable fund balance since such amounts will not convert to cash even though they are a component of net current assets.

8. Accounting for Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the acquisition date.

The cost of normal maintenance and repairs that does not add to the value of an asset or materially extends an asset's life is not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The County does not capitalize interest expense on borrowings used to finance construction of capital assets, as the capitalizable interest, after netting of interest earnings, is normally insignificant.

Property, plant and equipment of the County is depreciated using the straight line method over the following estimated useful lives:

Buildings	20 - 50 years
Water Distribution System	20 years
Improvements	10 - 20 years
Equipment	3 - 10 years
Infrastructure	40 years

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

9. Compensated Absences

It is the policy of the County to permit employees to accumulate a limited amount of earned but unused leave benefits which will be paid to employees upon separation from service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the government-wide and proprietary fund financial statements. The valuation of accrued leave benefits is calculated in accordance with GASB Statement No. 16. For the governmental activities, compensated absences are generally liquidated by the General (75%) and the Road and Bridge (25%) funds.

10. Property Taxes

Real and personal property valuations are determined each year as of January 1 by the Property Appraiser's office. Florida Statutes require that all property be assessed at 100 percent of just value.

All property taxes become due and payable on November 1, and are delinquent on April 1 of the following year. Discounts of 4, 3, 2 and 1 percent are allowed for early payment in November through February, respectively. The Tax Collector advertises as required by statute and sells tax certificates for unpaid taxes on real property. Certificates not sold are considered "County Held Certificates." Persons owning land upon which a tax certificate has been sold may redeem the land by paying the face amount of the tax certificate, plus interest and other costs.

Property taxes levied on property valuations as of January 1, 2016 and expected to be collected during the period November 2016 through March 2017 are as follows:

General Fund	\$ 51,238,175
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These taxes, although measurable, are not recognized as revenue at September 30, 2016, since they are not considered to be collectible within the current period or soon enough thereafter to be used to pay current period liabilities.

11. Landfill Closure Costs

Under the terms of current state and federal regulations, the County is required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of up to thirty years after closure. The County recognizes these costs of closure and post-closure maintenance over the active life of each landfill area, based on landfill capacity used during the period.

12. Allowance for Uncollectible Amounts

Accounts receivable for the County are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon past collection history.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

13. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of the County. Those committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balances represent the intended use established by the Board for the remaining amounts that are not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

The County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

NOTE B - CASH AND INVESTMENTS

At September 30, 2016, the bank held deposits of \$78,092,161 (before outstanding checks and deposits in transit) consisting of amounts held in checking, savings, money market or time deposit accounts. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida.

The County's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Pursuant to Florida Statutes Section 218.415, the County adopted an investment policy which outlines the County's investment responsibilities, objectives, and policies. The County's investment policy authorizes the County to invest in the following:

- a. The Local Government Surplus Funds Trust Fund (SBA) (Maximum of 75%)*;
- b. Florida Local Government Investment Trust (FLGIT) (State Investment Trust) (100% allowed)*;
- c. Qualified money market mutual funds (Maximum of 50%)*;
- d. U.S. Treasury bills, notes and bonds (100% allowed);
- e. Obligations guaranteed by the U.S. Government as to principal and interest such as obligations of the Government National Mortgage Association (GNMA) (Maximum of 5%)*;
- f. Non-callable Government Agency securities (Maximum of 25%)*:
 - (i) Federal Farm Credit Bank (FFCB),
 - (ii) Federal Home Loan Mortgage Corporation (FHLMC),
 - (iii) Federal Home Loan Bank (FHLB),
 - (iv) Federal National Mortgage Association (FNMA).This classification of government agency securities does not include any mortgage debt of any government agency;
- g. Time deposits and savings accounts in banks or savings and loan associations doing business in Florida (Maximum of 50%)*;
- h. Repurchase agreements for investments authorized in categories d, e, or f above. (Maximum of 40%)*

*To limit the County's concentration of credit risk these are the maximum percentages of the County's total portfolio that can be in each type of investment.

Interest rate risk is limited by no security having a maturity exceeding 2 years. The weighted average to maturity for the portfolio shall be less than 365 days or 1 year. Investments placed with the FLGIT, which typically invests in instruments with maturities of less than 5 years, are exempt from this limitation.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE B - CASH AND INVESTMENTS - Continued

The FLGIT, also known as Florida Trust, is a local government investment pool created by the Florida Association of Court Clerks and Comptroller, and the Florida Association of Counties for the purpose of providing public entities with an investment program by providing investment vehicles for funds that can be invested in short- to intermediate-term securities and have returns generally greater than the national average for money market instruments. The fair values of the County's positions in the pool are the same as the value of the pool shares. The Florida Trust offers two open-ended, professionally managed funds available only to public entities in Florida.

The Investment Trust:

A short term bond fund with an investment portfolio structured to maintain safety of principal and maximize available yield through a balance of quality and diversification. As of September 30, 2016 the Investment Trust managed \$915.56 million and had a price per share of \$24.55. This short term bond fund invests in U.S. Treasuries and Agency Securities, Mortgages, Commercial Paper, Asset-Backed Securities, and "A" rated Corporate Securities.

The Day to Day Fund:

The Florida Trust Day to Day Fund is a money market product created in response to demand to provide a fiscally conservative diversification option for Florida local governments. Fund features include same day transactions and online account management. The fund is AAA-rated by Standard and Poor's and is governed by the same board and advisory committee that oversees the Investment Trust.

The County's investments as defined by GASB Statement No. 72 "Fair Value Measurement and Application" are reported at fair value based on level 1 inputs for quoted prices for identical investments in active markets.

Schedule of Cash and Investments at September 30, 2016

	<u>Carrying Amount</u>
Investments:	
FLGIT Investment Trust Fund	\$ 11,311,535
Total Investments	<u>11,311,535</u>
Cash:	
Cash in Bank	33,747,781
Day to Day Trust	35,217,408
Petty Cash	1,625
Total Cash	<u>68,966,814</u>
Total Cash and Investments	<u><u>\$ 80,278,349</u></u>

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE B - CASH AND INVESTMENTS - Continued

Restricted cash and investments typically consist of funds set aside for the payment of debt and funds set aside to ensure assets producing the pledged revenues are repaired and replaced as needed. These assets are restricted since their use is limited by the applicable bond indentures. Other restricted assets consist of funds restricted to the payment of future landfill closure costs.

Restricted investments by category and by fund are as follows:

	Landfill
	Fund
Landfill escrow	\$ 8,639,599

NOTE C – DUE FROM OTHER GOVERNMENTAL UNITS

At September 30, 2016, amounts due from other governmental units were as follows:

	General Fund	Road and Bridge Fund	Nonmajor Governmental Funds	Peter Prince Fund	Self Insurance Fund	Total
Federal Government - Grants	\$ 2,317,187	\$ -	\$ 142,696	\$ 69,048	\$ -	\$ 2,528,931
State of Florida - Grants	6,827,009	649,184	996,636	-	-	8,472,829
State of Florida - Taxes	1,061,239	1,036,581	167,225	-	-	2,265,045
Local taxes	800,168	2	645	-	-	800,815
Other	-	-	-	-	18,115	18,115
	\$ 11,005,603	\$ 1,685,767	\$ 1,307,202	\$ 69,048	\$ 18,115	\$ 14,085,735

NOTE D – INTERFUND TRANSACTIONS

Interfund transactions for the year ended September 30, 2016 were as follows:

	Interfund Receivable	Interfund Payable	Interfund Transfers in	Interfund Transfers out
General fund	\$ 1,360,900	\$ 58,145	\$ 6,961,940	\$ 2,868,839
Road & Bridge fund	840	-	2,306,158	34,788
Nonmajor Governmental funds	262,148	2,070,743	4,989,000	11,303,471
Landfill fund	505,000	-	-	-
Self Insurance fund	-	-	-	50,000
Total	\$ 2,128,888	\$ 2,128,888	\$ 14,257,098	\$ 14,257,098

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE D – INTERFUND TRANSACTIONS - Continued

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) move unrestricted revenues collected in the general fund to finance various programs in accordance with budgetary authorizations.

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE E – RECEIVABLES

<u>Governmental</u>	<u>Accounts</u>	<u>Leases</u>	<u>Notes</u>	<u>Intergov- ernmental</u>	<u>Total</u>
General	\$ 76,127	\$ 384,934	\$ 436,375	\$ 11,005,603	\$ 11,903,039
Road & Bridge	-	-	-	1,685,767	1,685,767
NonMajor Govt.	660,196	-	-	1,307,202	1,967,398
Self Insurance	29,820	-	-	18,115	47,936
Subtotal	<u>766,143</u>	<u>384,934</u>	<u>436,375</u>	<u>14,016,687</u>	<u>15,604,140</u>
 <u>Business-Type</u>					
Navarre Beach	176,332	-	-	-	176,332
Landfill	992,484	-	-	-	992,484
Peter Prince	8,498	-	-	69,048	77,546
Subtotal	<u>1,177,314</u>	<u>-</u>	<u>-</u>	<u>69,048</u>	<u>1,246,362</u>
 Total	 <u>\$ 1,943,458</u>	 <u>\$ 384,934</u>	 <u>\$ 436,375</u>	 <u>\$ 14,085,735</u>	 <u>\$ 16,850,502</u>

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE F – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2016 was as follows (in thousands):

Governmental activities	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 19,605	\$ 466	\$ 269	\$ 19,802
Construction in progress	1,167	61	857	371
Total capital assets not being depreciated	20,772	527	1,126	20,173
Other capital assets:				
Buildings	64,658	2,554	2,244	64,968
Improvements other than buildings	139,889	6,289	294	145,884
Machinery and equipment	44,265	13,101	4,239	53,127
Total capital assets being depreciated	248,812	21,944	6,777	263,979
Less accumulated depreciation for:				
Buildings	42,697	2,827	-	45,524
Improvements other than buildings	54,214	4,169	53	58,330
Machinery and equipment	33,723	3,851	3,668	33,906
Total accumulated depreciation	130,634	10,847	3,721	137,760
Total capital assets being depreciated, net	118,178	11,097	3,056	126,219
Governmental activities capital assets, net	<u>\$ 138,950</u>	<u>\$ 11,624</u>	<u>\$ 4,182</u>	<u>\$ 146,392</u>
Business like activities	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,191	\$ -	\$ -	\$ 1,191
Construction in progress	41	2,601	2,579	63
Total capital assets not being depreciated	1,232	2,601	2,579	1,254
Other capital assets:				
Buildings	3,931	-	22	3,909
Improvements other than buildings	27,280	2,579	-	29,859
Furniture and fixtures	4,221	228	724	3,725
Total capital assets being depreciated	35,432	2,807	746	37,493
Less accumulated depreciation for:				
Buildings	1,884	128	22	1,990
Improvements other than buildings	16,332	982	-	17,314
Furniture and fixtures	2,941	301	559	2,683
Total accumulated depreciation	21,157	1,411	581	21,987
Total capital assets being depreciated, net	14,275	1,396	165	15,506
Business like activities capital assets, net	<u>\$ 15,507</u>	<u>\$ 3,997</u>	<u>\$ 2,744</u>	<u>\$ 16,760</u>

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE F – CAPITAL ASSETS - Continued

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	\$ 2,611,372
Public safety	2,424,784
Physical environment	130,496
Transportation	3,670,747
Economic environment	81,671
Human services	149,462
Culture and recreation	<u>1,778,788</u>
Total governmental activities depreciation expense	<u>\$ 10,847,319</u>

Business-type activities:

Water and sewer	\$ 545,639
Landfill	529,251
Hanger rental	<u>336,897</u>
Total business-type activities depreciation expense	<u>\$ 1,411,787</u>

NOTE G- LONG-TERM DEBT

1. Changes in Long-Term Debt

Special assessment notes are fully secured by annual assessments made against property owners of the specific area that benefited from the proceeds of the notes. The County has no legal obligation to levy ad valorem taxes or cover the notes in case of default by the property owners. The County does, however, maintain a moral commitment to cover the debt payments until such time as the property owners can make the payments.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE G- LONG-TERM DEBT - Continued

The following is a summary of changes in long-term debt for the year.

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016	Amount Due within One Year
Governmental activities:					
Compensated absences	\$ 7,986,126	\$ 4,212,592	\$ 4,466,769	\$ 7,731,949	\$ 3,600,000
Claims payable	2,271,588	1,668,046	1,938,606	2,001,028	1,411,995
Revenue bonds	289,295	-	289,295	-	-
Notes payable	921,613	5,279,240	803,533	5,397,320	819,681
Special assessment notes	2,368,788	-	680,733	1,688,055	608,771
OPEB liability	6,898,123	1,234,326	729,552	7,402,897	-
Net pension liability*	22,243,801	22,049,065	-	44,292,866	-
Net health insurance subsidy*	12,771,777	1,493,461	-	14,265,238	-
	<u>\$ 55,751,111</u>	<u>\$ 35,936,730</u>	<u>\$ 8,908,488</u>	<u>\$ 82,779,353</u>	<u>\$ 6,440,447</u>
Business-type activities:					
Compensated absences	\$ 338,577	\$ 213,036	\$ 238,254	\$ 313,359	\$ 218,330
Landfill closure costs	9,515,865	-	287,991	9,227,874	17,259
Revenue bonds	289,294	-	289,294	-	-
Notes payable	3,041,062	-	460,321	2,580,741	478,220
OPEB liability	239,014	39,674	23,449	255,239	-
Net pension liability*	618,519	501,366	-	1,119,885	-
Net health insurance subsidy*	500,880	61,706	-	562,586	-
	<u>\$ 14,543,211</u>	<u>\$ 815,782</u>	<u>\$ 1,299,309</u>	<u>\$ 14,059,684</u>	<u>\$ 713,809</u>

*presented net increases (decreases)

2. Descriptions of Bonds and Notes

Bonds and notes payable at September 30, 2016 are comprised of the following:

General government - notes payable

\$999,380 Third Cent Tourist Development Tax Refunding Revenue Note, Series 2011, payable to bank to refinance the \$1,200,000 Third Cent Tourist Development Tax Refunding Revenue Note, Series 2007 payable for the construction of a tourist information center in Navarre. The note is due in 60 quarterly payments of \$12,445 to \$21,708, plus interest at 3.79%, with final payment due in 2026 secured by Third Cent tourist development tax revenues.

\$ 711,729

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE G - LONG-TERM DEBT - Continued

\$287,870 note payable to bank for the acquisition and construction of improvements for the Bagdad Heritage Trail Project. The note is due in 40 quarterly payments of \$5,888 to 9,370 plus interest at 3.98% with final payment due in 2020, secured by North Santa Rosa tourist development tax revenues. 121,072

\$5,279,240 note payable to bank for the purchase and installation of equipment for a new 911 system. The note is due in 7 annual payments of \$809,011 including interest at 1.786% with final payment due in 2021. 4,564,519

General government – Special Assessment notes payable

\$169,100 special assessment note payable to bank for the construction of infrastructure improvements for Joseph Circle MSBU. The note is due in 36 quarterly payments of \$3,636 to \$5,941 plus interest at 5.65% with final payment due in 2016. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 5,941

\$324,500 special assessment note payable to bank for the construction of infrastructure improvements for Central Parkway MSBU. The note is due in 36 quarterly payments of \$7,112 to \$11,146 plus interest at 5.14% with final payment due in 2017. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 55,151

\$1,872,038 special assessment note payable to bank to refinance the \$1,582,132 and \$770,000 special assessment notes payable for the acquisition and installation of fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 32 quarterly payments of \$53,061 to \$64,128 plus interest at 2.44% with final payment due in 2018. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 563,776

\$500,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Bernath Place MSBU. The note is due in 36 quarterly payments of \$11,686 to \$16,363 plus interest at 3.98% with final payment due in 2018. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 126,942

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE G - LONG-TERM DEBT - Continued

\$600,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Santa Rosa Shores MSBU. The note is due in 40 quarterly payments of \$12,432 to \$17,890 payments plus interest at 3.75% with final payment due in 2019. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.	188,396
\$120,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Ski Watch Estates MSBU. The note is due in 36 quarterly payments of \$2,829 to \$3,883 including interest at 3.55% with final payment due in 2017. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.	15,319
\$412,000 special assessment note payable to bank for the acquisition and installation fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 28 quarterly payments of \$13,565 to \$15,891 plus interest at 2.34% with final payment due in 2017. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.	78,580
\$700,000 special assessment note payable to bank for the acquisition and installation fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 60 quarterly payments of \$9,134 to \$14,526 plus interest at 3.14% with final payment due in 2025. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.	469,581
\$395,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Longhorn Trail MSBU. The note is due in 24 quarterly payments of \$15,423 to \$17,537 plus interest at 2.24% with final payment due in 2017. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.	34,976
\$268,350 special assessment note payable to bank for the construction of certain infrastructure improvements in the Skiwatch Estates MSBU. The note is due in 40 quarterly payments of \$7,625 including interest at 2.56% with final payment due in 2021. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.	149,393
Total general government bonds and notes payable	<u>\$7,085,375</u>

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE G - LONG-TERM DEBT - Continued

Proprietary fund type - note payable

Navarre Beach

\$6,500,000 Utility System Revenue Note, Series 2006 payable to bank for the construction of certain improvements and additions to the Navarre Beach Utility System. The note is due in 15 annual payments of \$335,333 to \$555,568 plus interest at 0.0%, adjusted every 3 years, secured by non-ad valorem revenues.

2,580,741

Total proprietary fund type bonds and note payable

\$ 2,580,741

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE G - LONG-TERM DEBT - Continued

3. Pledged Revenues

Santa Rosa County has pledged certain revenues to repay certain bonds and notes outstanding at September 30, 2016. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue, the amount of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2016.

Governmental Activities	Revenue Pledged	Current Year Total Revenue	Pledged Outstanding Principal & Interest	Estimated Revenue Percentage Pledged	Principal & Interest Paid	Maturity Calendar Year
Special Assessment Notes						
Central Parkway II (Plus) Road Paving MSBU Revenue Note, Series 2008	Special assessments	\$ 45,780	\$ 57,269	101%	\$ 45,354	2018
Bernath Place MSBU Revenue Note, Series 2009	Special assessments	75,121	132,690	113%	66,467	2018
Longhorn Trail Road Paving MSBU Revenue Note, Series 2011	Special assessments	59,558	35,270	84%	70,540	2017
Fire Protection MSBU Revenue Note, Series 2010-A	Special assessments	64,030	79,964	100%	64,030	2018
Fire Protection MSBU Revenue Note, Series 2010-B	Special assessments	58,950	542,897	100%	58,950	2016
Fire Protection MSBU Revenue Note, Series 2010-C	Special assessments	258,598	581,110	100%	258,598	2019
Santa Rosa Shores Canal Maintenance MSBU Refunding Revenue Note, Series 2009	Special assessments	75,557	201,043	105%	72,229	2019
Skiwatch Estates Subdivision Underground Utilities MSBU Revenue Note, Series 2008	Special assessments	47,066	15,662	300%	15,671	2017

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE G- LONG-TERM DEBT - Continued

Governmental Activities	Revenue Pledged	Current Year Total Revenue	Pledged Outstanding Principal & Interest	Estimated Revenue Percentage Pledged	Principal & Interest Paid	Maturity Calendar Year
Special Assessment Notes continued						
Skiwatch Estates Canal Maintenance Dredging MSBU Revenue Note, Series 2011	Special assessments	See below	\$ 160,132	0%	\$ 30,502	2022
Joseph Circle Road Paving MSBU Revenue Note, Series 2007	Special assessments	16,204	6,027	67%	24,119	2017
Notes Payable						
Third Cent Tourist Development Tax Revenue Note, Series 2007	3rd Cent Tourist Development Tax	477,309	854,640	542%	88,111	2026
Bagdad Heritage Trail Project Capital Improvement Revenue Note, Series 2010	North SRC Tourist Development Tax	262,013	131,018	750%	34,956	2020
Revenue Bonds						
Sales Tax Refunding Revenue Bond, Series 2010	1/2 Cent Sales Tax	<u>7,276,083</u>	<u>-</u>	2488%	<u>292,429</u>	2016
Total Revenue Bonds and Notes - Governmental Activities		<u>\$ 8,716,269</u>	<u>\$ 2,797,722</u>		<u>\$ 1,121,956</u>	

Business-type Activities	Revenue Pledged	Current Year Total Revenue	Pledged Outstanding Principal & Interest	Estimated Revenue Percentage Pledged	Principal & Interest Paid	Maturity Calendar Year
Revenue Bonds						
Utility Service Revenue Note, Series 2007	Navarre Beach operations	\$ 660,669	\$ 2,834,787	143%	\$ 462,145	2021
Sales Tax Refunding Revenue Bond, Series 2010	1/2 Cent Sales Tax	<u>7,276,083</u>	<u>-</u>	2488%	<u>292,429</u>	2016
Total Revenue Bonds and Notes - Business-type Activities		<u>\$ 7,936,752</u>	<u>\$ 2,834,787</u>		<u>\$ 754,574</u>	

Note on Skiwatch Estates Canal Maintenance Dredging - Sufficient funds have already been assessed and collected to cover debt service.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE G- LONG-TERM DEBT - Continued

4. Debt Service Requirements

The annual requirements to amortize all bonds and notes outstanding at September 30, 2016 are as follows:

Governmental activities:

Year ended <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 1,428,453	\$ 156,192	\$ 1,584,645
2018	1,323,722	122,648	1,446,370
2019	1,046,743	94,020	1,140,763
2020	938,908	72,371	1,011,279
2021	932,672	53,197	985,869
2022-2026	1,414,877	67,985	1,482,862
	<u>\$ 7,085,375</u>	<u>\$ 566,413</u>	<u>\$ 7,651,788</u>

Business-type activities:

Year ended <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 478,220	\$ 89,459	\$ 567,679
2018	496,485	70,847	567,332
2019	515,447	51,637	567,084
2020	535,020	31,464	566,484
2021	555,569	10,639	566,208
2026-2030	-	-	-
	<u>\$ 2,580,741</u>	<u>\$ 254,046</u>	<u>\$ 2,834,787</u>

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE H - CONDUIT DEBT OBLIGATIONS

The County has issued certain limited-obligation debt instruments, including: 1) industrial development revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest; and 2) municipal service benefit unit revenue notes to finance the acquisition, construction, reconstruction and equipping of capital improvements within the municipal service benefit unit. The debt instruments are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Neither the County, the State nor any political subdivision thereof is obligated in any manner for repayment of the debt instruments. Accordingly, the debt instruments are not reported as liabilities in the accompanying financial statements.

Debt issues related to conduit financings outstanding at September 30, 2016 are as follows:

	Date Issued	Final Maturity	Amount Issued	Outstanding 9/30/2016
Baptist Hospital, 2003	8/21/2003	10/1/2021	\$ 57,905,000	\$ 57,905,000
Holley Navarre Water System, 2004	6/2/2004	5/1/2024	4,145,000	1,990,000
Navarre Beach Volunteer Fire Department	4/25/2007	4/25/2017	300,000	27,203
Total			<u>\$ 62,350,000</u>	<u>\$ 59,922,203</u>

NOTE I - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill sites when the landfill stops accepting waste and to perform certain maintenance and monitoring functions at sites for thirty years after closure. Although closure and postclosure care costs are paid only near or after the date that a landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$9.2 million reported as landfill closure and postclosure care liability (current and noncurrent) at September 30, 2016, represents the cumulative amount reported to date based on the following percentage usage of the estimated capacity of each of the County's landfills:

Central Class I Landfill	96%
Central Class III Landfill (New)	24%
Central Class III Landfill (Old)	Closed 10/98

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE I - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS - Continued

The estimated cost of postclosure care for the Central Class III and Holley landfills have been recognized in prior years with any changes in estimates being recorded in the current year. The County will recognize the remaining estimated cost of closure and postclosure care for the Central Class I and Class III landfills in the amount of \$6.6 million as its remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2016. The estimated remaining lives of the Central Class I and Class III landfills are 13 and 8 years, respectively. Cost of closure and life estimates are based on the areas currently in use, and not on potential areas of expansion. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care. At September 30, 2016, the County held investments of \$8,639,599 to cover the escrow requirement of \$8,639,599. These investments are reported as restricted assets in these financial statements. The County expects that future inflation costs will be paid from interest earnings on these restricted investments and from charges to future landfill users or future tax revenue.

NOTE J - COMMITMENTS AND CONTINGENCIES

1. Retirement Plan

Participation - Employees of the County participate in the Florida Retirement System, a cost-sharing multiple-employer retirement system, established by Chapter 121, Florida Statutes. Participation is compulsory for full-time and part-time employees working in regularly established positions. Elected officials may elect not to participate in the system. Eligible employees may elect to participate in the Deferred Retirement Option Program (DROP), deferring receipt of retirement benefits while continuing employment with a Florida Retirement System employer.

Benefit Provisions – The Florida retirement system offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a defined benefit plan which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Normal retirement benefits are available to employees who retire at age 62 or 65 (depending on hire date) with 6 or 8 (depending on hire date) or more years of service, or to those employees who have at least 30 or 33 (depending on hire date) years of creditable service, regardless of age. Retirement age and years of service requirements may vary depending on membership class. Early retirement is available after 6 years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement benefits are based upon age, average compensation, and years-of-service credit where average compensation is computed as the average of an individual's five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) highest years of earnings.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE J - COMMITMENTS AND CONTINGENCIES - Continued

The FRS Investment Plan is a defined contribution plan in which participants are vested after one year of service. The employer makes contributions each month based on a percentage of the employee's gross salary and membership class. The contribution percentage is the same whether participating in the Pension Plan or Investment Plan. Members in the Investment Plan decide how their funds are allocated between various investment accounts and the funds are portable upon termination if the participant is vested. Members in the investment plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

For DROP participants, the deferred monthly benefit plus interest compounded monthly, accrues for the specified period of the DROP participation. Upon retirement, the participant receives the total accumulated DROP benefits and begins to receive current benefits at the previously determined rate.

Contributions - Chapter 121 requires the employer to pay contributions based upon state-wide rates established by the State of Florida. Employees contribute 3% of their salary. During 2016, the County contributed an average of 7.33% of each qualified regular employee's gross salary, 42.32% percent of the elected officials' salary, 22.17% of each special risk employee's salary, and 12.91% for each DROP participant. The County's contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contribution requirements for the year. The County's contributions to the Investment Plan were equal to the legislatively mandated contribution rates, which are equal to a percentage of the members' gross monthly salary based on membership class. Contributions to the Investment plan totaled \$529,112, \$501,568 and \$383,609 for the years ended September 30, 2016, 2015 and 2014, respectively. Contributions to the Pension plan totaled \$4,913,402, \$4,641,074 and \$4,285,235 for the years ended September 30, 2016, 2015 and 2014, respectively.

Financial Report of the Plan - The Florida Retirement System issues a stand-alone financial report. A copy can be obtained by contacting the State of Florida, Division of Retirement, Tallahassee, Florida.

2. Litigation

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the County.

3. Federal and State Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY

1. Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At September 30, 2016, the County reported a liability of \$45,412,751 for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2016, and the total pension liability used to calculate the net pension liability was determined from an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's 2015-16 fiscal year contributions relative to the 2015-16 fiscal year contributions of all participating members. At September 30, 2016, the County's proportion was 0.18%, which was an increase of 1.61% from its proportion measured as of June 30, 2015.

For the fiscal year ended September 30, 2016, the County recognized pension expense of \$6,895,945 related to the Plan. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,477,150	\$ 422,822
Change of assumptions	2,747,335	-
Net difference between projected and actual earnings on pension plan investments	11,738,640	-
Changes in proportion and differences between County contributions and proportionate share of contributions	2,493,864	2,284,696
County contributions subsequent to the measurement date	1,260,814	-
Total	\$ 21,717,803	\$ 2,707,518

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY – Continued

The deferred outflows of resources related to pensions, totaling \$1,260,814, 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2017	\$ 2,387,555
2018	2,387,555
2019	6,964,007
2020	4,941,132
2021	818,105
Thereafter	251,117
	\$ 17,749,471

Actuarial Assumptions - The total pension liability in the July 1, 2016 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	7.60%, net of pension plan investment expense, including inflation	

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

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2008 – 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:

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY – Continued

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	3.0%	3.0%	1.7%
Fixed income	18%	4.7%	4.6%	4.6%
Global equity	53%	8.1%	6.8%	17.2%
Real estate (property)	10%	6.4%	5.8%	12.0%
Private equity	6%	11.5%	7.8%	30.0%
Strategic investments	12%	6.1%	5.6%	11.1%
Total	<u>100%</u>			
Assumed inflation - mean			2.6%	1.9%

* As outlined in the Plan's investment policy

Discount Rate – The discount rate used to measure the total pension liability was 7.6%. The 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 calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.60%, 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 1-percentage point lower (6.60%) or 1-percentage point higher (8.60%) than the current rate:

	<u>1% Decrease (6.60%)</u>	<u>Current Discount Rate (7.60%)</u>	<u>1% Increase (8.60%)</u>
County's proportionate share of the net pension liability	\$ 83,607,949	\$ 45,412,751	\$ 13,620,292

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY – Continued

2. Health Insurance Subsidy Pension Plan

Plan Description. The Health Insurance Subsidy Plan (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 Division of Retirement within the Florida Department of Management Services.

Benefits Provided. For the fiscal year ended September 30, 2016, 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, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, 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, 2016, the contribution rate was 1.66% of payroll pursuant to section 112.363, Florida Statutes. 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 the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The County's contributions to the HIS Plan totaled \$652,122 for the fiscal year ended September 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2016, the County reported a net pension liability of \$14,827,824 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the County's proportionate share of benefit payments expected to be paid within one year, net of the County's proportionate share of the pension plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportionate share of the net pension liability was based on the County's 2015-16 fiscal year contributions relative to the total 2015-16 fiscal year contributions of all participating members. At September 30, 2016, the County's proportion was 0.13%, which was a decrease of 2.24% from its proportion measured as of June 30, 2015.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY – Continued

For the fiscal year ended September 30, 2016, the County recognized pension expense of \$1,240,479 related to the HIS Plan. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 33,773
Change of assumptions	2,326,862	-
Net difference between projected and actual earnings on HIS pension plan investments	7,498	-
Changes in proportion and differences between County contributions and proportionate share of contributions	333,023	324,482
County contributions subsequent to the measurement date	172,991	-
Total	\$ 2,840,374	\$ 358,255

The deferred outflows of resources related to pensions, totaling \$172,991, 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2017	\$ 420,436
2018	420,436
2019	419,008
2020	418,323
2021	365,050
Thereafter	265,875
	\$ 2,309,128

Actuarial Assumptions - The total pension liability in the July 1, 2016 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	2.85%, net of pension plan investment expense, including inflation

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

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY – Continued

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2008 – June 30, 2013.

Discount Rate – The discount rate used to measure the total pension liability was 2.85%. 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 Pension Liability to Changes in the Discount Rate – The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 2.85%, 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 1-percentage point lower (1.85%) or 1-percentage point higher (3.85%) than the current rate:

	1% Decrease	Current	Discount Rate	1% Increase
	(1.85%)	(2.85%)	(3.85%)	
County's proportionate share of the net HIS pension liability	\$ 17,010,883	\$ 14,827,824	\$ 13,016,004	

NOTE L - FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented on the following page.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE L – FUND BALANCES – Continued

Fund balances	Major Funds			Total
	General Fund	Road and Bridge Fund	Other Funds	
Nonspendable				
Inventory	\$ 62,459	\$ 315,881	\$ -	\$ 378,340
Restricted for:				
Communications	1,367,296	-	-	1,367,296
Boating improvement	408,073	-	-	408,073
Domestic violence	163,025	-	-	163,025
Voter education	3,609	-	-	3,609
Pollworker recruitment	1,887	-	-	1,887
Federal elections	7,240	-	-	7,240
Partners for pets	82,079	-	-	82,079
Navarre Beach Bridge maintenance	-	310,911	-	310,911
Law Enforcement Trust Fund	-	-	115,047	115,047
Crime prevention	-	-	383,628	383,628
Mosquito control	-	-	37,217	37,217
Federal and state grants	-	-	1,544,059	1,544,059
Enhanced 911 system	-	-	1,092,623	1,092,623
Tourist development	-	-	2,363,273	2,363,273
Infrastructure development	-	-	1,565,717	1,565,717
State Housing Improvement Program	-	-	765,087	765,087
Flood mitigation	-	-	1,044,414	1,044,414
Road and sewer construction	-	-	610,672	610,672
Canal maintance	-	-	94,515	94,515
Street lighting	-	-	77,073	77,073
State court operations	-	-	34,268	34,268
Court equipment and technology	-	-	581,186	581,186
Records modernization trust fund	-	-	445,668	445,668
Law enforcement training	-	-	33,732	33,732
Inmate welfare purchases	-	-	1,010,140	1,010,140
Committed to:				
Animal service education	48,209	-	-	48,209
Court innovations	-	-	327,111	327,111
Transportation, recreation and economic development	-	-	3,840,318	3,840,318
Gas and oil preservation	3,551,667	-	-	3,551,667
Capital construction projects	-	-	4,218,539	4,218,539
Assigned to:				
Road and bridge construction and maintenance	-	7,965,599	-	7,965,599
Berm restoration	2,153,914	-	-	2,153,914
Law library	-	-	26,712	26,712
Court operations	-	-	915,177	915,177
Gas and oil preservation	220,615	-	-	220,615
Navarre Beach Leaseholders	378,031	-	-	378,031
Navarre Beach Community Center	215,000	-	-	215,000
Unassigned	30,246,748	-	(886,790)	29,359,958
	<u>\$ 38,909,854</u>	<u>\$ 8,592,390</u>	<u>\$ 20,239,386</u>	<u>\$ 67,741,630</u>

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE M - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1986 the County established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program the County is self-insured with respect to the following exposures:

- Workers Compensation
- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment

The County is covered by outside insurance for the following exposures:

- Boats
- Employee Fidelity
- Buildings and Contents, \$5,000 deductible
- General Liability, \$25,000 deductible
- Public Officials' Liability, \$25,000 deductible

Conventional insurance remains in effect for buildings, contents and Sheriff's general, automobile and professional liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Board of County Commissioners and other County elected officials participate in the program and make payments to the Self Insurance Fund based on historical estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The claims liability of \$2,001,028 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.

Liabilities for incurred losses to be settled by fixed or reasonably determined payments over a long period of time are reported at their present value using an expected future investment yield assumption of 3.9 - 7 percent. These liabilities are reported at their present value of \$649,625 at September 30, 2016.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE M - RISK MANAGEMENT - Continued

Changes in the Fund's claims liability amount in fiscal years 2015 and 2016 were as follows:

	Beginning-of- Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2014 - 2015	\$ 2,267,946	\$ 1,768,614	\$ 1,764,972	\$ 2,271,588
2015 - 2016	\$ 2,271,588	\$ 1,668,046	\$ 1,938,606	\$ 2,001,028

The following table presents a summary of the claims payable liability at year end:

Current claims payable	\$ 1,351,404
Current claims-structured settlements	60,591
Total claims payable, current	<u>1,411,995</u>
Long-term claims-structured settlements	589,033
Total claims payable	<u><u>\$ 2,001,028</u></u>

The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public officials' liability coverage, excluding the Sheriff. The County pays an annual premium as a participant of the pooled liability program. During 1994, the first year of participation, the County paid an extraordinary loss fund payment of \$249,886. The liability coverage is not designed to be assessable; however, should the pool fail to meet its obligations, the County may be required to contribute additional funds or cover its own obligations. No accrual for future assessments has been recorded in the financial statements as such assessments do not appear probable based on past experience of the pool, and experience of the pool subsequent to the County's fiscal year end through the date of these financial statements. In the event the County elected to terminate its participation in the pool, the extraordinary loss fund payment would be refunded to the County, given adequate funding of the pool.

NOTE N – POST EMPLOYMENT HEALTH CARE BENEFITS

The County implemented, in 2009, GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for certain postemployment health care benefits provided by the County.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE N – POST EMPLOYMENT HEALTH CARE BENEFITS - Continued

Plan Description – Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the County and eligible dependents, may continue to participate in the County’s purchased health and hospitalization insurance coverage (the Plan)) at the same group rate as for active employees and participating retirees are required to reimburse the County 100% of the health insurance premium a month in advance.. The Plan is a single-employer plan. The County subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The County also provides an insurance subsidy for employees with at least 10 years (8 years elected) creditable service. The subsidy pays \$3 per year of service limited to the individual’s premium payment up to a maximum of \$90 per month. No stand-alone financial report is issued.

Funding Policy – The County has not advance-funded or established a funding methodology for the annual Other Postemployment Benefit (OPEB) costs or the net OPEB obligation. For the 2016 fiscal year, 255 retirees and eligible dependents received postemployment health care benefits. The County provided required contributions of \$296,001 toward the annual OPEB cost, comprised of benefit payments made on behalf of retirees insurance net of retiree contributions totaling \$550,223. Required contributions are based on projected pay-as-you-go financing which differ from the Annual Required Contribution.

Annual OPEB Cost and Net OPEB Obligation – The following table shows the County’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County’s net OPEB obligation:

Description	Health Insurance
Normal Cost (Service cost for one year)	\$ 465,000
Amortization of Unfunded Actuarial Accrued Liability	559,000
Annual Required Contribution	1,024,000
Amortization of Net OPEB Obligation	(457,000)
Interest on Net OPEB Obligation	250,000
Annual OPEB Cost (expense)	817,000
Contribution Towards the OPEB Cost	(296,001)
Increase in Net OPEB Obligation	520,999
Net OPEB Obligation, Beginning of Year	7,137,138
Net OPEB Obligation, End of Year	\$ 7,658,137

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE N – POST EMPLOYMENT HEALTH CARE BENEFITS - Continued

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of September 30, 2016, was as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage Of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2013-2014	\$ 1,040,000	28%	\$ 6,626,808
2014-2015	\$ 781,000	35%	\$ 7,137,138
2015-2016	\$ 817,000	36%	\$ 7,658,137

Funded Status and Funding Progress – As of September 30, 2016, the actuarial accrued liability was \$8,737,000 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$8,737,000. Amortization of the accrued liability for the year ended September 30, 2016 was \$559,000. The annual covered payroll (annual payroll of active participating employees) was \$49,795,321 for the 2015-2016 fiscal year. The ratio of the unfunded actuarial liability to annual covered payroll is 18%.

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 and termination, mortality, and the healthcare cost trends. 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. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The 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, consistent with the long-term perspective of the calculations.

The County’s OPEB actuarial valuation as of October 1, 2015, used the projected unit credit actuarial cost method to estimate both the unfunded actuarial liability as of September 30, 2016 and to estimate the County’s 2015-2016 fiscal year annual required contribution. This method was selected because it produced the best estimate of the OPEB liability and annual cost. Because the OPEB liability is currently unfunded, the actuarial assumptions include a 3.5% rate of return on invested assets assuming the benefits will continue to be funded on a pay-as-you-go basis and that the County’s investments will earn 3.5% over the long term. The actuarial assumptions also include an annual healthcare cost trend rate of 8.5% initially for the 09-10 fiscal year, decreasing gradually per year to an ultimate rate of 4.3% in 2070. The inflation rate assumption is 2.4%. The unfunded actuarial accrued liability is being amortized using the level dollar method. The remaining, closed, amortization period at September 30, 2016 is 23 years.

The required schedule of funding progress, immediately following the notes, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Santa Rosa County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

Note O – PRIOR PERIOD RECLASSIFICATION

Governmental Activities – Government-Wide

A prior period reclassification was made to record \$9,251,425 transportation expenditures and \$9,251,425 miscellaneous revenue to properly account for the donation of infrastructure.

REQUIRED SUPPLEMENTAL INFORMATION

Santa Rosa County, Florida

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 47,204,780	\$ 47,204,780	\$ 50,865,577
Permits, fees and special assessments	2,007,590	2,007,590	2,622,070
Intergovernmental	11,012,480	11,054,787	21,485,988
Charges for services	8,398,200	8,416,807	9,894,873
Fines and forfeits	263,960	320,400	356,270
Miscellaneous	1,116,280	1,127,390	1,865,246
Total revenues	<u>70,003,290</u>	<u>70,131,754</u>	<u>87,090,024</u>
Expenditures			
Current			
General government	24,268,183	25,123,624	23,455,409
Public safety	41,650,254	43,758,466	48,552,825
Physical environment	1,458,544	4,037,580	14,830,625
Transportation	987,680	1,025,680	1,003,220
Economic environment	616,171	622,171	582,086
Human services	4,939,020	4,989,858	4,862,718
Culture and recreation	3,089,716	3,713,245	3,339,112
Reserve for contingencies	200,000	1,606,125	--
Total expenditures	<u>77,209,568</u>	<u>84,876,749</u>	<u>96,625,995</u>
Excess (deficiency) of revenues over expenditures	(7,206,278)	(14,744,995)	(9,535,971)
Other financing sources (uses)			
Transfers in	5,124,632	6,961,940	6,961,940
Transfers out	(466,248)	(2,059,828)	(2,868,839)
Proceeds from capital lease	--	--	5,279,240
Total other financing sources (uses)	<u>4,658,384</u>	<u>4,902,112</u>	<u>9,372,341</u>
Net change in fund balances	(2,547,894)	(9,842,883)	(163,630)
Fund balance, beginning of year	2,547,894	9,845,882	39,096,702
Change in reserve for inventory	<u>--</u>	<u>--</u>	<u>(23,218)</u>
Fund balance, end of year	<u>\$ --</u>	<u>\$ 2,999</u>	<u>\$ 38,909,854</u>

See accompanying notes to required supplementary information.

Santa Rosa County, Florida

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 6,258,860	\$ 6,258,860	\$ 6,952,321
Permits, fees and special assessments	--	--	169,631
Intergovernmental	3,103,240	3,849,173	5,303,982
Charges for services	--	--	62,290
Miscellaneous	273,890	448,640	620,535
Total revenues	9,635,990	10,556,673	13,108,758
Expenditures			
Current			
Physical environment	--	1,265,578	1,040,380
Transportation	12,006,920	13,891,414	12,692,332
Total expenditures	12,006,920	15,156,992	13,732,712
Excess (deficiency) of revenues over expenditures	(2,370,930)	(4,600,319)	(623,954)
Other financing sources (uses)			
Transfers in	2,000,718	2,306,158	2,306,158
Transfers out	(9,788)	(34,788)	(34,788)
Total other financing sources (uses)	1,990,930	2,271,370	2,271,370
Net change in fund balances	(380,000)	(2,328,949)	1,647,416
Fund balance, beginning of year	380,000	2,328,949	6,948,019
Change in reserve for inventory	--	--	(3,045)
Fund balance, end of year	\$ --	\$ --	\$ 8,592,390

Santa Rosa County, Florida

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Florida Retirement System
Last 10 Fiscal Years***

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Santa Rosa County's proportion of the net pension liability (asset)	0.179851920%	0.177003043%	0.170070967%
Santa Rosa County's proportionate share of the net pension liability (asset)	\$ 45,412,751	\$ 22,862,317	\$ 10,376,830
Santa Rosa County's covered-employee payroll	\$ 49,795,322	\$ 49,817,504	\$ 46,775,917
Santa Rosa County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	91.20%	45.89%	22.18%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	92.00%	96.09%

*Data was unavailable prior to 2014

Santa Rosa County, Florida

SCHEDULE OF CONTRIBUTIONS
Florida Retirement System
Last 10 Fiscal Years*

	2016	2015	2014
Contractually required contribution	\$ 4,385,976	\$ 4,315,479	\$ 3,725,277
Contributions in relation to the contractually required contribution	\$ (4,385,976)	\$ (4,315,479)	\$ (3,725,277)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Santa Rosa County's covered-employee payroll	\$ 49,795,322	\$ 49,817,504	\$ 46,775,917
Contributions as a percentage of covered-employee payroll	8.81%	8.66%	7.96%

*Data was unavailable prior to 2014

Santa Rosa County, Florida

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Health Insurance Subsidy Program
Last 10 Fiscal Years***

	2016	2015	2014
Santa Rosa County's proportion of the net pension liability (asset)	0.127227379%	0.130144159%	0.126228802%
Santa Rosa County's proportionate share of the net pension liability (asset)	\$ 14,827,824	\$ 13,272,657	\$ 11,802,701
Santa Rosa County's covered-employee payroll	\$ 49,795,322	\$ 49,817,504	\$ 46,775,917
Santa Rosa County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	29.78%	26.64%	25.23%
Plan fiduciary net position as a percentage of the total pension liability	0.97%	0.50%	0.99%

*Data was unavailable prior to 2014

Santa Rosa County, Florida

**SCHEDULE OF CONTRIBUTIONS
Health Insurance Subsidy Program
Last 10 Fiscal Years***

	2016	2015	2014
Contractually required contribution	\$ 652,122	\$ 497,492	\$ 432,418
Contributions in relation to the contractually required contribution	\$ (652,122)	\$ (497,492)	\$ (432,418)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Santa Rosa County's covered-employee payroll	\$ 49,795,322	\$ 49,817,504	\$ 46,775,917
Contributions as a percentage of covered-employee payroll	1.31%	1.00%	0.92%

*Data was unavailable prior to 2014

Santa Rosa County, Florida

**SCHEDULES OF FUNDING PROGRESS
AND EMPLOYER CONTRIBUTIONS FOR
OTHER POST EMPLOYMENT BENEFITS**

Year ended September 30, 2016

Schedule of Funding Progress	Actuarial Valuation Date		
	9/30/14	9/30/15	9/30/16
1. Current retirees liability	\$ 2,574,000	\$ 2,445,000	\$ 2,581,000
2. Active employees	7,356,000	5,831,000	6,156,000
3. Actuarial Accrued Liability	9,930,000	8,276,000	8,737,000
4. Actuarial Value of Assets	--	--	
5. Unfunded Actuarial Accrued Liability	9,930,000	8,276,000	8,737,000
6. Funded Ratio (4. divided by 3.)	0%	0%	0%
7. Annual Covered Payroll	\$ 46,609,103	\$ 49,439,596	\$ 49,795,321
8. Ratio of Unfunded Actuarial Accrued Liability to Covered Payroll	21%	17%	18%
Schedule of Employer Contributions	Fiscal Year Ended		
	9/30/14	9/30/15	9/30/16
Annual Required Contribution	\$ 1,191,000	\$ 962,000	\$ 1,024,000
Actual Contribution	291,329	270,670	296,001
Percentage Contributed	24%	28%	29%
Net OPEB Obligation	\$ 6,777,808	\$ 7,469,138	\$ 8,197,137

Santa Rosa County, Florida

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

September 30, 2016

BUDGETARY INFORMATION

Florida Statutes Chapters 129 and 200 govern the preparation, adoption, and administration of the County's annual budget. The budget must be balanced, i.e., the estimated revenues plus beginning fund balance brought forward must equal appropriations and be prepared on a basis consistent with generally accepted accounting principles (GAAP) as applicable to governmental units. The County may, at any time within a fiscal year, amend a budget for that year as follows:

Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by motion recorded in the minutes. The budget officer may authorize certain inter-departmental and intra-departmental budget amendments, provided that the total appropriation of the fund is not changed. All annual appropriations lapse at fiscal year-end.

COMBINING INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Fine and Forfeiture Fund - accounts for fines, forfeitures and various other assessments used for law enforcement purposes.

State Matching Program Fund - accounts for state and local funding used for mosquito and other arthropod control.

Grants Fund - accounts for state and federal funding not associated with any other fund.

Enhanced 911 Telephone System Fund - accounts for funds used to maintain the 911 telephone system.

Electric Franchise Fee Fund – accounts for funds from the Electric Franchise fee.

Local Option Tourist Tax Fund - accounts for tax revenues to be used for tourist development activities.

Impact Fees Fund – accounts for impact fees collected to provide for new infrastructure.

SHIP (State Housing Initiative Partnership) Fund - accounts for state funds received to provide housing assistance to low and middle income families.

Disaster Fund – accounts for federal, state and local funding relating to recovery from natural disasters.

MSBU (Municipal Service Benefit Unit) Fund – accounts for special assessments levied against property owners for capital improvements or services rendered for benefit of the affected areas.

Clerk's Courts Fund – accounts for the court related activities of the Clerk of the Court.

Clerk's Courts Technology Fund – accounts for the court technology related activities of the Clerk of the Court.

Clerk's RMTF (Records Modernization Trust Fund) – accounts for fees received that are legally restricted for the modernization of the public records maintained by the Clerk's office.

Clerk's 10% Fines Fund – accounts for the funding received through specific fines to be used to modernize the court system.

Clerk's Child Support Title IV-D – accounts for activities related to Title IV-D child support cases. The funding provides assistance to the plaintiff and enforcement of collections through the Office of Child Support Enforcement.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS - Continued

Sheriff's Grants Fund – accounts for federal and state grants received by the Sheriff's department for specific programs. Not budgeted.

Sheriff's Second Dollar Fund – accounts for shared fine revenues which are legally restricted for law enforcement training purposes. Not budgeted.

Sheriff's Prisoner Recreation Fund – accounts for jail commissary and vending machine revenues that are restricted to providing recreational facilities and equipment for prisoners. Not budgeted.

Sheriff's Federal Seizure Fund – accounts for shared seizure revenues from the United States Department of Justice which are to be used for law enforcement purposes. Not budgeted.

DEBT SERVICE FUND

Debt Service Fund - accounts for the funds used to pay down debt related to governmental funds.

CAPITAL PROJECTS FUNDS

District One Capital Projects Fund - accounts for the construction of sports and recreation facilities in District One.

District Two Capital Projects Fund - accounts for the construction of sports and recreation facilities in District Two.

District Three Capital Projects Fund - accounts for the construction of sports and recreation facilities in District Three.

District Four Capital Projects Fund - accounts for the construction of sports and recreation facilities in District Four.

District Five Capital Projects Fund - accounts for the construction of sports and recreation facilities in District Five.

Other Capital Projects Fund - accounts for the purchase or construction of other capital facilities which are not financed by proprietary funds or trust funds.

Santa Rosa County, Florida

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2016

ASSETS	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Cash and cash equivalents	\$ 16,234,232	\$ 809,601	\$ 3,985,099	\$ 21,028,933
Receivables, net of uncollectibles				
Accounts	660,196	--	--	660,196
Due from other governments	1,073,762	--	233,440	1,307,202
Due from other funds	130,464	131,684	--	262,148
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 18,098,654</u>	<u>\$ 941,285</u>	<u>\$ 4,218,539</u>	<u>\$ 23,258,478</u>
LIABILITIES				
Accounts payable	\$ 207,490	\$ --	\$ --	\$ 207,490
Accrued wages payable	107,325	--	--	107,325
Unearned revenue	80,148	--	--	80,148
Due to other funds	1,121,743	949,000	--	2,070,743
Due to other governments	553,386	--	--	553,386
Total liabilities	<u>2,070,092</u>	<u>949,000</u>	<u>--</u>	<u>3,019,092</u>
FUND BALANCES				
Fund balances				
Restricted	11,798,318	--	--	11,798,318
Committed	4,167,429	--	4,218,539	8,385,969
Assigned	941,889	--	--	941,889
Unassigned	(879,075)	(7,715)	--	(886,790)
Total fund balances	<u>16,028,562</u>	<u>(7,715)</u>	<u>4,218,539</u>	<u>20,239,386</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 18,098,654</u>	<u>\$ 941,285</u>	<u>\$ 4,218,539</u>	<u>\$ 23,258,478</u>

Santa Rosa County, Florida

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**

Year ended September 30, 2016

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 1,919,108	\$ --	--	\$ 1,919,108
Licenses and permits	10,952,836	--	--	10,952,836
Intergovernmental	4,219,016	--	195,201	4,414,217
Charges for services	4,704,246	--	--	4,704,246
Fines and forfeits	1,056,074	--	--	1,056,074
Miscellaneous	668,341	51	12,688	681,080
Total revenues	23,519,620	51	207,889	23,727,560
Expenditures				
Current				
General government	5,200,116	--	--	5,200,116
Public safety	5,848,668	--	--	5,848,668
Physical environment	510,897	--	--	510,897
Transportation	347,429	--	--	347,429
Economic environment	2,912,217	--	--	2,912,217
Human services	180,282	--	--	180,282
Culture and recreation	--	--	50,162	50,162
Capital outlay	--	--	605,546	605,546
Debt service	--	1,969,626	--	1,969,626
Total expenditures	14,999,609	1,969,626	655,708	17,624,943
Excess (deficiency) of revenues over expenditures	8,520,012	(1,969,575)	(447,819)	6,102,618
Other financing sources (uses)				
Transfers in	283,460	2,011,404	2,694,136	4,989,000
Transfers out	(8,047,980)	(132,464)	(3,123,027)	(11,303,471)
Total other financing sources (uses)	(7,764,520)	1,878,940	(428,891)	(6,314,471)
Excess (deficiency) of revenues and other sources over expenditures and other uses	755,492	(90,635)	(876,710)	(211,853)
Fund balances, beginning of year	15,273,070	82,920	5,095,249	20,451,239
Fund balances, end of year	<u>\$ 16,028,562</u>	<u>\$ (7,715)</u>	<u>\$ 4,218,539</u>	<u>\$ 20,239,386</u>

Santa Rosa County, Florida

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

September 30, 2016

ASSETS	Fine and Forfeiture	State Match	Grants	Enhanced 911	Electric Franchise Fee	Local Option Tourist Tax	Impact Fees	SHIP Program	Disaster	MSBU
Cash and cash equivalents	\$ 1,680,622	\$ 32,217	\$ 933,306	\$ 951,945	\$ 3,223,545	\$ 2,409,494	\$ 1,565,717	\$ 771,887	\$1,044,414	\$ 822,026
Receivables, net of uncollectibles										
Accounts	--	--	--	--	616,773	--	--	--	--	9,470
Due from other governments	137,529	5,000	622,686	166,182	--	--	--	--	--	9,670
Due from other funds	--	--	--	--	--	--	--	--	--	--
Total assets	<u>\$ 1,818,151</u>	<u>\$ 37,217</u>	<u>\$ 1,555,992</u>	<u>\$ 1,118,127</u>	<u>\$ 3,840,318</u>	<u>\$ 2,409,494</u>	<u>\$ 1,565,717</u>	<u>\$ 771,887</u>	<u>\$1,044,414</u>	<u>\$ 841,165</u>
LIABILITIES										
Accounts payable	\$ 45,166	\$ --	\$ 11,933	\$ 16,703	\$ --	\$ 41,974	\$ --	\$ 6,800	\$ --	\$ 43,456
Accrued wages payable	5,310	--	--	8,801	--	4,248	--	--	--	--
Unearned revenue	--	--	--	--	--	--	--	--	--	--
Due to other funds	--	--	--	--	--	--	--	--	--	894,524
Due to other governments	--	--	--	--	--	--	--	--	--	--
Total liabilities	<u>50,476</u>	<u>--</u>	<u>11,933</u>	<u>25,504</u>	<u>--</u>	<u>46,221</u>	<u>--</u>	<u>6,800</u>	<u>--</u>	<u>937,980</u>
FUND BALANCES										
Fund balances										
Restricted	498,675	37,217	1,544,059	1,092,623	--	2,363,273	1,565,717	765,087	1,044,414	782,260
Committed	327,111	--	--	--	3,840,318	--	--	--	--	--
Assigned	941,889	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--	--	(879,075)
Total fund balances	<u>1,767,675</u>	<u>37,217</u>	<u>1,544,059</u>	<u>1,092,623</u>	<u>3,840,318</u>	<u>2,363,273</u>	<u>1,565,717</u>	<u>765,087</u>	<u>1,044,414</u>	<u>(96,815)</u>
Total liabilities and fund balances	<u>\$ 1,818,151</u>	<u>\$ 37,217</u>	<u>\$ 1,555,992</u>	<u>\$ 1,118,127</u>	<u>\$ 3,840,318</u>	<u>\$ 2,409,494</u>	<u>\$ 1,565,717</u>	<u>\$ 771,887</u>	<u>\$1,044,414</u>	<u>\$ 841,165</u>

Continued...

Santa Rosa County, Florida

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - Continued**

September 30, 2016

ASSETS	Clerk's Courts Fund	Clerk's Court Tech	Clerk's RMTF	Clerk's 10% Fines	Clerk's Title IV-D	Sheriff's Grants	Sheriff's Second Dollar	Sheriff's Prisoner Rec	Sheriff's Fed Seizure	Total Nonmajor Special Revenue Funds
Cash and cash equivalents	\$ 575,961	\$ 601,464	\$ 445,668	\$ 26,552	\$ --	\$ 48,601	\$ 34,748	\$ 1,019,046	\$ 47,019	\$ 16,234,232
Receivables, net of uncollectibles										
Accounts	--	--	--	--	--	--	--	33,953	--	660,196
Due from other governments	--	--	--	--	72,319	60,377	--	--	--	1,073,762
Due from other funds	72,319	--	--	--	--	58,145	--	--	--	130,464
Total assets	\$ 648,280	\$ 601,464	\$ 445,668	\$ 26,552	\$ 72,319	\$ 167,123	\$ 34,748	\$ 1,052,999	\$ 47,019	\$ 18,098,654
LIABILITIES										
Accounts payable	\$ 19,510	\$ 7,068	\$ --	\$ 2,785	\$ --	\$ 5,355	\$ --	\$ 6,741	\$ --	\$ 207,490
Accrued wages payable	74,021	4,072	--	--	--	8,492	--	2,381	--	107,325
Unearned revenue	--	--	--	--	--	33,129	--	--	47,019	80,148
Due to other funds	--	--	--	--	72,319	120,147	1,016	33,737	--	1,121,743
Due to other governments	520,481	32,905	--	--	--	--	--	--	--	553,386
Total liabilities	614,012	44,045	--	2,785	72,319	167,123	1,016	42,859	47,019	2,070,092
FUND BALANCES										
Fund balances										
Restricted	34,268	557,419	445,668	23,767	--	--	33,732	1,010,140	--	11,798,318
Committed	--	--	--	--	--	--	--	--	--	4,167,429
Assigned	--	--	--	--	--	--	--	--	--	941,889
Unassigned	--	--	--	--	--	--	--	--	--	(879,075)
Total fund balances	34,268	557,419	445,668	23,767	--	--	33,732	1,010,140	--	16,028,562
Total liabilities and fund balances	\$ 648,280	\$ 601,464	\$ 445,668	\$ 26,552	\$ 72,319	\$ 167,123	\$ 34,748	\$ 1,052,999	\$ 47,019	\$ 18,098,654

Santa Rosa County, Florida

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS**

Year ended September 30, 2016

	Fine and Forfeiture	State Match	Grants	Enhanced 911	Electric Franchise Fee	Local Option Tourist Tax	Impact Fees	SHIP Program	Disaster	MSBU
Revenues										
Taxes	\$ 9,002	\$ --	\$ --	\$ --	\$ --	\$ 1,910,105	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--	6,500,937	--	39,051	--	--	4,412,849
Intergovernmental	38,566	41,288	1,525,442	--	--	--	--	802,262	880,537	--
Charges for services	1,185,747	--	11,642	664,075	--	36,800	--	--	--	--
Fines and forfeits	31,549	--	--	--	--	--	--	--	--	--
Miscellaneous	5,744	--	5,417	3,685	304	31,296	13,423	118,985	31,949	62
Total revenues	1,270,607	41,288	1,542,501	667,761	6,501,241	1,978,201	52,473	921,247	912,486	4,412,911
Expenditures										
Current										
General government	1,061,365	--	--	--	--	--	--	--	--	--
Public safety	139,173	--	641,422	738,337	--	--	--	--	--	3,437,867
Physical environment	--	--	184,429	--	--	--	--	--	--	326,468
Transportation	--	--	292,164	--	--	--	5,750	--	--	49,515
Economic environment	--	--	385,496	--	--	1,735,060	--	791,660	--	--
Human services	--	31,540	148,742	--	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	--	--	--	--	--
Total expenditures	1,200,538	31,540	1,652,253	738,337	--	1,735,060	5,750	791,660	--	3,813,851
Excess (deficiency) of revenues over expenditures	70,069	9,748	(109,752)	(70,577)	6,501,241	243,141	46,723	129,587	912,486	599,060
Other financing sources (uses)										
Transfers in	41,751	--	98,864	--	--	--	--	593	--	142,252
Transfers out	--	--	--	--	(6,272,690)	(235,568)	(59,500)	(259,185)	--	(1,221,037)
Total other financing sources (uses)	41,751	--	98,864	--	(6,272,690)	(235,568)	(59,500)	(258,592)	--	(1,078,785)
Net change in fund balances	111,820	9,748	(10,888)	(70,577)	228,551	7,573	(12,777)	(129,005)	912,486	(479,725)
Fund balances, beginning of year	1,655,855	27,469	1,554,947	1,163,200	3,611,767	2,355,700	1,578,494	894,092	131,928	382,910
Fund balances, end of year	<u>\$ 1,767,675</u>	<u>\$ 37,217</u>	<u>\$ 1,544,059</u>	<u>\$ 1,092,623</u>	<u>\$ 3,840,318</u>	<u>\$ 2,363,273</u>	<u>\$ 1,565,717</u>	<u>\$ 765,087</u>	<u>\$ 1,044,414</u>	<u>\$ (96,815)</u>

Continued...

Santa Rosa County, Florida

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - Continued**

Year ended September 30, 2016

	Clerk's Courts Fund	Clerk's Courts Tech	Clerk's RMTF	Clerk's 10% Fines	Clerk's Title IV-D	Sheriff's Grants	Sheriff's Second Dollar	Sheriff's Prisoner Rec	Sheriff's Federal Seizure	Total Nonmajor Special Revenue Funds
Revenues										
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,919,108
Licenses and permits	--	--	--	--	--	--	--	--	--	10,952,836
Intergovernmental	169,359	--	--	--	228,915	481,832	31,331	--	19,485	4,219,016
Charges for services	2,380,946	320,714	104,321	--	--	--	--	--	--	4,704,246
Fines and forfeits	845,596	--	--	178,929	--	--	--	--	--	1,056,074
Miscellaneous	15,777	--	--	--	--	--	--	441,700	--	668,341
Total revenues	3,411,678	320,714	104,321	178,929	228,915	481,832	31,331	441,700	19,485	23,519,620
Expenditures										
Current										
General government	3,409,161	319,811	24,864	156,000	228,915	--	--	--	--	5,200,116
Public safety	--	--	--	--	--	481,832	20,744	369,807	19,485	5,848,668
Physical environment	--	--	--	--	--	--	--	--	--	510,897
Transportation	--	--	--	--	--	--	--	--	--	347,429
Economic environment	--	--	--	--	--	--	--	--	--	2,912,217
Human services	--	--	--	--	--	--	--	--	--	180,282
Capital outlay	--	--	--	--	--	--	--	--	--	--
Total expenditures	3,409,161	319,811	24,864	156,000	228,915	481,832	20,744	369,807	19,485	14,999,609
Excess (deficiency) of revenues over expenditures	2,517	903	79,457	22,929	--	--	10,587	71,893	--	8,520,012
Other financing sources (uses)										
Transfers in	--	--	--	--	--	--	--	--	--	283,460
Transfers out	--	--	--	--	--	--	--	--	--	(8,047,980)
Total other financing sources (uses)	--	--	--	--	--	--	--	--	--	(7,764,520)
Net change in fund balances	2,517	903	79,457	22,929	--	--	10,587	71,893	--	755,492
Fund balances, beginning of year	31,751	556,516	366,211	838	--	--	23,145	938,247	--	15,273,070
Fund balances, end of year	\$ 34,268	\$ 557,419	\$ 445,668	\$ 23,767	\$ --	\$ --	\$ 33,732	\$ 1,010,140	\$ --	\$ 16,028,562

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
FINE AND FORFEITURE FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ --	\$ --	\$ 9,002
Intergovernmental	27,075	27,075	38,566
Charges for services	785,830	785,830	1,185,747
Fines and forfeits	--	--	31,549
Miscellaneous	950	950	5,744
Total revenues	813,855	813,855	1,270,607
Expenditures			
Current			
General government	834,743	923,699	1,061,365
Public safety	87,400	153,364	139,173
Total expenditures	922,143	1,077,063	1,200,538
Excess (deficiency) of revenues over expenditures	(108,288)	(263,208)	70,069
Other financing sources (uses)			
Transfers in	--	41,751	41,751
Total other financing sources (uses)	--	41,751	41,751
Net change in fund balances	(108,288)	(221,457)	111,820
Fund balance, beginning of year	108,288	221,457	1,655,855
Fund balance, end of year	\$ --	\$ --	\$ 1,767,675

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
STATE MATCH FUND**

Year ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues			
Intergovernmental	\$ 29,963	\$ 29,963	\$ 41,288
Miscellaneous	--	--	--
	<u>29,963</u>	<u>29,963</u>	<u>41,288</u>
Total revenues	29,963	29,963	41,288
Expenditures			
Current			
Human services	<u>29,963</u>	<u>31,540</u>	<u>31,540</u>
Total expenditures	<u>29,963</u>	<u>31,540</u>	<u>31,540</u>
Net change in fund balances	--	(1,577)	9,748
Fund balance, beginning of year	<u>--</u>	<u>1,577</u>	<u>27,469</u>
Fund balance, end of year	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 37,217</u></u>

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
GRANTS FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental	\$ --	\$ 3,315,293	\$ 1,525,442
Charges for services	--	--	11,642
Miscellaneous	--	--	5,417
Total revenues	--	3,315,293	1,542,501
Expenditures			
Current			
Public safety	--	643,298	641,422
Physical environment	--	1,775,436	184,429
Transportation	--	292,164	292,164
Economic environment	--	998,890	385,496
Human services	--	278,178	148,742
Total expenditures	--	3,987,966	1,652,253
Excess (deficiency) of revenues over expenditures	--	(672,673)	(109,752)
Other financing sources (uses)			
Transfers in	--	98,864	98,864
Total other financing sources (uses)	--	98,864	98,864
Net change in fund balances	--	(573,809)	(10,888)
Fund balance, beginning of year	--	573,809	1,554,947
Fund balance, end of year	\$ --	\$ --	\$ 1,544,059

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
ENHANCED 911 PROGRAM FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Charges for services	\$ 603,090	\$ 603,090	\$ 664,075
Miscellaneous	950	950	3,685
Total revenues	604,040	604,040	667,761
Expenditures			
Current			
Public safety	646,763	760,168	738,337
Total expenditures	646,763	760,168	738,337
Net change in fund balances	(42,723)	(156,128)	(70,577)
Net change in fund balances	(42,723)	(156,128)	(70,577)
Fund balance, beginning of year	42,723	156,128	1,163,200
Fund balance, end of year	\$ --	\$ --	\$ 1,092,623

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
ELECTRIC FRANCHISE FEE FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Permits, fees and special assessments	\$ 5,890,000	\$ 5,890,000	\$ 6,500,937
Miscellaneous	--	--	304
Total revenues	<u>5,890,000</u>	<u>5,890,000</u>	<u>6,501,241</u>
Expenditures			
Current	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over expenditures	<u>5,890,000</u>	<u>5,890,000</u>	<u>6,501,241</u>
Other financing sources (uses)			
Transfer in	--	--	--
Transfers out	<u>(5,890,000)</u>	<u>(8,280,273)</u>	<u>(6,272,690)</u>
Total other financing sources (uses)	<u>(5,890,000)</u>	<u>(8,280,273)</u>	<u>(6,272,690)</u>
Net change in fund balances	--	(2,390,273)	228,551
Fund balance, beginning of year	<u>--</u>	<u>2,390,273</u>	<u>3,611,767</u>
Fund balance, end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 3,840,318</u>

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
LOCAL OPTION TOURIST TAX FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 1,736,170	\$ 1,736,170	\$ 1,910,105
Charges for services	--	36,800	36,800
Miscellaneous	1,900	13,900	31,296
Total revenues	1,738,070	1,786,870	1,978,201
Expenditures			
Current			
Economic environment	1,583,366	2,056,539	1,735,060
Total expenditures	1,583,366	2,056,539	1,735,060
Excess (deficiency) of revenues over expenditures	154,704	(269,669)	243,141
Other financing sources (uses)			
Transfers out	(154,704)	(235,568)	(235,568)
Total other financing sources (uses)	(154,704)	(235,568)	(235,568)
Net change in fund balances	--	(505,237)	7,573
Fund balance, beginning of year	--	505,237	2,355,700
Fund balance, end of year	\$ --	\$ --	\$ 2,363,273

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
IMPACT FEES**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Permits, fees and special assessments	\$ --	\$ --	\$ 39,051
Miscellaneous	--	--	13,423
Total revenues	--	--	52,473
Expenditures			
Current			
Transportation	--	572,853	5,750
Reserve for contingencies	--	946,052	--
Total expenditures	--	1,518,905	5,750
Excess (deficiency) of revenues and other sources over expenditures	--	(1,518,905)	46,723
Other financing sources (uses)			
Transfers out	--	(59,500)	(59,500)
Total other financing sources (uses)	--	(59,500)	(59,500)
Net change in fund balances	--	(1,578,405)	(12,777)
Fund balance, beginning of year	--	1,578,405	1,578,494
Fund balance, end of year	\$ --	\$ --	\$ 1,565,717

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
SHIP PROGRAM FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental	\$ --	\$ 793,637	\$ 802,262
Miscellaneous	--	123,571	118,985
Total revenues	--	917,208	921,247
Expenditures			
Current			
Economic environment	--	1,383,642	791,660
Total expenditures	--	1,383,642	791,660
Excess (deficiency) of revenues over expenditures	--	(466,434)	129,587
Other financing sources (uses)			
Transfers in	--	593	593
Transfers out	(173,645)	(259,185)	(259,185)
Total other financing sources (uses)	(173,645)	(258,592)	(258,592)
Net change in fund balances	(173,645)	(725,026)	(129,005)
Fund balance, beginning of year	173,645	725,026	894,092
Fund balance, end of year	\$ --	\$ --	\$ 765,087

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
DISASTER FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental	\$ --	\$ --	\$ 880,537
Miscellaneous	--	--	31,949
Total revenues	--	--	912,486
Expenditures			
Current			
Public safety	--	--	--
Total expenditures	--	--	--
Excess (deficiency) of revenues over expenditures	--	--	912,486
Net change in fund balances	--	--	912,486
Fund balance, beginning of year	--	--	131,928
Fund balance, end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,044,414</u>

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
MSBU (MUNICIPAL SERVICE BENEFIT UNIT) FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Permits, fees and special assessments	\$ 4,306,545	\$ 4,358,703	\$ 4,412,849
Intergovernmental	--	--	--
Miscellaneous	--	--	62
Total revenues	4,306,545	4,358,703	4,412,911
Expenditures			
Current			
Public safety	3,445,228	3,445,228	3,437,867
Physical environment	337,715	341,750	326,468
Transportation	5,593	56,610	49,515
Reserve for contingencies	116,192	138,882	--
Total expenditures	3,904,728	3,982,470	3,813,851
Excess (deficiency) of revenues over expenditures	401,817	376,233	599,060
Other financing sources (uses)			
Transfers in	142,252	142,252	142,252
Transfers out	(1,221,037)	(1,221,037)	(1,221,037)
Total other financing sources (uses)	(1,078,785)	(1,078,785)	(1,078,785)
Net change in fund balances	(676,968)	(702,552)	(479,725)
Fund balance, beginning of year	676,968	702,552	382,910
Fund balance, end of year	\$ --	\$ --	\$ (96,815)

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
CLERK'S COURTS FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental	\$ 449,400	\$ 121,585	\$ 169,359
Charges for services	1,836,998	2,074,010	2,380,946
Fines and forfeits	641,330	631,416	845,596
Miscellaneous	20,989	15,224	15,777
 Total revenues	 2,948,717	 2,842,235	 3,411,678
Expenditures			
Current			
General government	2,948,717	2,842,235	3,409,161
 Total expenditures	 2,948,717	 2,842,235	 3,409,161
 Excess (deficiency) of revenues over expenditures	 --	 --	 2,517
Other financing sources (uses)			
Other financing uses	--	--	--
 Total other financing sources (uses)	 --	 --	 --
 Net change in fund balances	 --	 --	 2,517
Fund balance, beginning of year	--	--	31,751
Fund balance, end of year	\$ --	\$ --	\$ 34,268

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
CLERK'S COURTS TECHNOLOGY FUND**

Year ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues			
Charges for services	<u>\$ 305,583</u>	<u>\$ 320,720</u>	<u>\$ 320,714</u>
Total revenues	305,583	320,720	320,714
Expenditures			
Current			
General government	380,583	435,883	319,811
Capital outlay	<u>125,000</u>	<u>69,700</u>	<u>--</u>
Total expenditures	<u>505,583</u>	<u>505,583</u>	<u>319,811</u>
Net change in fund balances	(200,000)	(184,863)	903
Fund balance, beginning of year	<u>200,000</u>	<u>200,000</u>	<u>556,516</u>
Fund balance, end of year	<u>\$ --</u>	<u>\$ 15,137</u>	<u>\$ 557,419</u>

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
CLERK'S RMTF (RECORD MODERNIZATION TRUST FUND)**

Year ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues			
Charges for services	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 104,321</u>
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>104,321</u>
Expenditures			
Current			
General government	<u>100,000</u>	<u>100,000</u>	<u>24,864</u>
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>24,864</u>
Net change in fund balances	<u>--</u>	<u>--</u>	<u>79,457</u>
Fund balance, beginning of year	<u>--</u>	<u>--</u>	<u>366,211</u>
Fund balance, end of year	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 445,668</u></u>

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
CLERK'S 10% FINES FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Fines and forfeits	\$ 156,000	\$ 156,000	\$ 178,929
Total revenues	<u>156,000</u>	<u>156,000</u>	<u>178,929</u>
Expenditures			
Current			
General government	<u>156,000</u>	<u>156,000</u>	<u>156,000</u>
Total expenditures	<u>156,000</u>	<u>156,000</u>	<u>156,000</u>
Net change in fund balances	--	--	22,929
Fund balance, beginning of year	<u>--</u>	<u>--</u>	<u>838</u>
Fund balance, end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 23,767</u>

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
CLERK'S CHILD SUPPORT TITLE IV-D FUND**

Year ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues			
Intergovernmental	<u>\$ 168,000</u>	<u>\$ 231,000</u>	<u>\$ 228,915</u>
Total revenues	<u>168,000</u>	<u>231,000</u>	<u>228,915</u>
Expenditures			
Current			
General government	<u>168,000</u>	<u>231,000</u>	<u>228,915</u>
Total expenditures	<u>168,000</u>	<u>231,000</u>	<u>228,915</u>
Net change in fund balances	<u>--</u>	<u>--</u>	<u>--</u>
Fund balance, beginning of year	<u>--</u>	<u>--</u>	<u>--</u>
Fund balance, end of year	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
DEBT SERVICE FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Miscellaneous	\$ --	\$ --	\$ 51
Total revenues	--	--	51
Expenditures			
Debt service	1,086,466	1,086,466	1,969,626
Reserve for contingencies	132,464	132,464	--
Total expenditures	1,218,930	1,218,930	1,969,626
Excess (deficiency) of revenues over expenditures	(1,218,930)	(1,218,930)	(1,969,575)
Other financing sources (uses)			
Transfers in	1,202,393	1,202,393	2,011,404
Transfers out	--	--	(132,464)
Total other financing sources (uses)	1,202,393	1,202,393	1,878,940
Net change in fund balances	(16,537)	(16,537)	(90,635)
Fund balance, beginning of year	16,537	16,537	82,920
Fund balance, end of year	\$ --	\$ --	\$ (7,715)

Santa Rosa County, Florida

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS**

September 30, 2016

ASSETS	District One	District Two	District Three	District Four	District Five	Other Capital Projects	Total Nonmajor Capital Project Funds
Cash and cash equivalents	\$ 434,340	\$ 741,903	\$ 423,897	\$ 475,512	\$ 773,416	\$ 1,136,031	\$ 3,985,099
Due from other governments	--	233,440	--	--	--	--	233,440
Total assets	<u>\$ 434,340</u>	<u>\$ 975,343</u>	<u>\$ 423,897</u>	<u>\$ 475,512</u>	<u>\$ 773,416</u>	<u>\$ 1,136,031</u>	<u>\$ 4,218,539</u>
LIABILITIES							
Accounts payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Total liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES							
Fund balances							
Committed	434,340	975,343	423,897	475,512	773,416	1,136,031	4,218,539
Total fund balances	<u>434,340</u>	<u>975,343</u>	<u>423,897</u>	<u>475,512</u>	<u>773,416</u>	<u>1,136,031</u>	<u>4,218,539</u>
Total liabilities and fund balances	<u>\$ 434,340</u>	<u>\$ 975,343</u>	<u>\$ 423,897</u>	<u>\$ 475,512</u>	<u>\$ 773,416</u>	<u>\$ 1,136,031</u>	<u>\$ 4,218,539</u>

Santa Rosa County, Florida

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS**

Year ended September 30, 2016

	District One	District Two	District Three	District Four	District Five	Other Capital Projects	Total Nonmajor Capital Project Funds
Revenues							
Intergovernmental	\$ --	\$ 195,201	\$ --	\$ --	\$ --	\$ --	\$ 195,201
Miscellaneous	1,157	6,029	1,149	1,454	2,641	258	12,688
Total revenues	1,157	201,230	1,149	1,454	2,641	258	207,889
Expenditures							
Current							
Culture and recreation	--	25,162	25,000	--	--	--	50,162
Capital outlay	--	575,810	--	--	1,900	27,836	605,546
Total expenditures	--	600,972	25,000	--	1,900	27,836	655,708
Excess (deficiency) of revenues over expenditures	1,157	(399,742)	(23,851)	1,454	741	(27,578)	(447,819)
Other financing sources (uses)							
Transfers in	227,180	252,180	230,180	229,580	227,180	1,527,836	2,694,136
Transfers out	(197,555)	--	(112,089)	(123,353)	(80,252)	(2,609,778)	(3,123,027)
Total other financing sources (uses)	29,625	252,180	118,091	106,227	146,928	(1,081,942)	(428,891)
Net change in fund balances	30,782	(147,562)	94,240	107,681	147,669	(1,109,520)	(876,710)
Fund balances, beginning of year	403,558	1,122,905	329,657	367,831	625,747	2,245,551	5,095,249
Fund balances, end of year	\$ 434,340	\$ 975,343	\$ 423,897	\$ 475,512	\$ 773,416	\$ 1,136,031	\$ 4,218,539

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
DISTRICT ONE CAPITAL PROJECT FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Miscellaneous	\$ --	\$ --	\$ 1,157
Total revenues	--	--	1,157
Expenditures			
Current			
Culture and recreation	--	--	--
Reserve for contingencies	75,000	433,183	--
Total expenditures	75,000	433,183	--
Excess (deficiency) of revenues over expenditures	(75,000)	(433,183)	1,157
Other financing sources (uses)			
Transfers in	75,000	227,180	227,180
Transfers out	--	(197,555)	(197,555)
Total other financing sources (uses)	75,000	29,625	29,625
Net change in fund balances	--	(403,558)	30,782
Fund balance, beginning of year	--	403,558	403,558
Fund balance, end of year	\$ --	\$ --	\$ 434,340

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
DISTRICT TWO CAPITAL PROJECT FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental	\$ --	\$ 195,221	\$ 195,201
Miscellaneous	--	2,328	6,029
Total revenues	--	197,549	201,230
Expenditures			
Current			
Culture and recreation	--	17,256	25,162
Capital outlay	--	586,429	575,810
Reserve for contingencies	75,000	773,728	--
Total expenditures	75,000	1,377,413	600,972
Excess (deficiency) of revenues over expenditures	(75,000)	(1,179,864)	(399,742)
Other financing sources (uses)			
Transfers in	75,000	252,180	252,180
Transfers out	--	--	--
Total other financing sources (uses)	75,000	252,180	252,180
Net change in fund balances	--	(927,684)	(147,562)
Fund balance, beginning of year	--	927,684	1,122,905
Fund balance, end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 975,343</u>

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
DISTRICT THREE CAPITAL PROJECT FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Miscellaneous	\$ --	\$ --	\$ 1,149
Total revenues	--	--	1,149
Expenditures			
Current			
Culture and recreation	--	25,000	25,000
Reserve for contingencies	75,000	422,548	--
Total expenditures	75,000	447,548	25,000
Excess (deficiency) of revenues over expenditures	(75,000)	(447,548)	(23,851)
Other financing sources (uses)			
Transfers in	75,000	230,180	230,180
Transfers out	--	(112,089)	(112,089)
Total other financing sources (uses)	75,000	118,091	118,091
Net change in fund balances	--	(329,457)	94,240
Fund balance, beginning of year	--	329,457	329,657
Fund balance, end of year	\$ --	\$ --	\$ 423,897

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
DISTRICT FOUR CAPITAL PROJECT FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Miscellaneous	\$ --	\$ --	\$ 1,454
Total revenues	--	--	1,454
Expenditures			
Current			
Culture and recreation	--	--	--
Reserve for contingencies	75,000	474,058	--
Total expenditures	75,000	474,058	--
Excess (deficiency) of revenues over expenditures	(75,000)	(474,058)	1,454
Other financing sources (uses)			
Transfers in	75,000	229,580	229,580
Transfers out	--	(123,353)	(123,353)
Total other financing sources (uses)	75,000	106,227	106,227
Net change in fund balances	--	(367,831)	107,681
Fund balance, beginning of year	--	367,831	367,831
Fund balance, end of year	\$ --	\$ --	\$ 475,512

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
DISTRICT FIVE CAPITAL PROJECT FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Miscellaneous	\$ --	\$ --	\$ 2,641
Total revenues	--	--	2,641
Expenditures			
Current			
Culture and recreation	--	--	\$ --
Capital outlay	--	--	\$ 1,900
Reserve for contingencies	75,000	772,674	\$ --
Total expenditures	75,000	772,674	1,900
Excess (deficiency) of revenues over expenditures	(75,000)	(772,674)	741
Other financing sources (uses)			
Transfers in	75,000	227,180	\$ 227,180
Transfers out	--	(80,252)	\$ (80,252)
Total other financing sources (uses)	75,000	146,928	146,928
Net change in fund balances	--	(625,746)	147,669
Fund balance, beginning of year	--	625,746	625,747
Fund balance, end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 773,416</u>

Santa Rosa County, Florida

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)
OTHER CAPITAL PROJECTS FUND**

Year ended September 30, 2016

	Original Budget	Final Budget	Actual
Revenues			
Miscellaneous	\$ --	\$ --	\$ 258
Total revenues	--	--	258
Expenditures			
Current			
General government	--	--	--
Capital outlay	--	27,836	27,836
Reserve for contingencies	--	1,085,342	--
Total expenditures	--	1,113,178	27,836
Excess (deficiency) of revenues over expenditures	--	(1,113,178)	(27,578)
Other financing sources (uses)			
Transfers in	--	1,527,836	1,527,836
Transfers out	(1,386,109)	(2,609,778)	(2,609,778)
Total other financing sources (uses)	(1,386,109)	(1,081,942)	(1,081,942)
Net change in fund balances	(1,386,109)	(2,195,120)	(1,109,520)
Fund balance, beginning of year	1,386,109	2,195,120	2,245,551
Fund balance, end of year	\$ --	\$ --	\$ 1,136,031

FIDUCIARY FUNDS

AGENCY FUNDS

Clerk's Fine and Cost Fund – Traffic and other fines are collected by the Clerk and remitted to the various governmental agencies.

Clerk's Intangible Tax Fund – The Clerk collects intangible tax and remits to the Department of Revenue.

Clerk's Court Registry Fund - accounts for funds deposited pursuant to court order pending the outcome of legal action and are distributed by order of the court.

Clerk's State Documentary Stamp Fund – The Clerk collects documentary stamps tax as an agent for the State of Florida and remits the revenue, less commission, to the Department of Revenue.

Clerk's Suspense Fund – The Clerk collects fees for marriage licenses, spousal abuse and restitution. Also the Clerk Collects money for the State co-educational trust fund and attorney's fees. Distributions on payments and remittances are made as appropriate to the various agencies or individuals.

Clerk's Tax Redemption Fund - accounts for tax deed application fees and tax deed bids and makes distributions on payments as appropriate.

Clerk's Ordinary Witness Fund – accounts for the funds collected and paid to witnesses.

Clerk's Bail Bond Fund - accounts for the collection and disbursement of bond monies posted by individuals upon arrest. These monies are held by the Clerk until final disposition instructions are received from the court.

Clerk's Flower Trust Fund - accounts for the collection and disbursement of funds donated by employees to purchase flowers for certain occasions.

Tax Collector's Tax Fund - accounts for receipts of various types of taxes, licenses, and fees collected on behalf of state, county, and municipal governmental agencies.

Sheriff's Suspense Fund - accounts for the collection of monies obtained from the Sheriff's sale of abandoned and confiscated property, various court levies, writs of execution, and miscellaneous receipts and the subsequent disbursements to individuals, state agencies, and the Board of County Commissioners.

Sheriff's Seizure Fund - accounts for cash confiscated by the Sheriff's department which is held pending disposition.

Sheriff's Flower Fund – accounts for the collection and disbursement of funds donated by employees to purchase flowers for certain occasions.

Santa Rosa County, Florida
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year ended September 30, 2016

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Clerk's Fine and Cost Fund				
Assets				
Cash	\$ 292,705	\$ 3,532,915	\$ 3,559,594	\$ 266,026
Total assets	<u>\$ 292,705</u>	<u>\$ 3,532,915</u>	<u>\$ 3,559,594</u>	<u>\$ 266,026</u>
Liabilities				
Accounts payable	\$ 121,759	\$ 1,503,791	\$ 1,625,550	\$ --
Due to other governments	170,946	3,533,920	3,438,840	266,026
Total liabilities	<u>\$ 292,705</u>	<u>\$ 5,037,711</u>	<u>\$ 5,064,390</u>	<u>\$ 266,026</u>
Clerk's Intangible Tax Fund				
Assets				
Cash	\$ 84,499	\$ 2,591,628	\$ 2,542,108	\$ 134,019
Total assets	<u>\$ 84,499</u>	<u>\$ 2,591,628</u>	<u>\$ 2,542,108</u>	<u>\$ 134,019</u>
Liabilities				
Due to other governments	\$ 84,499	\$ 2,591,628	\$ 2,542,108	\$ 134,019
Total liabilities	<u>\$ 84,499</u>	<u>\$ 2,591,628</u>	<u>\$ 2,542,108</u>	<u>\$ 134,019</u>
Clerk's Court Registry Fund				
Assets				
Cash	\$ 1,860,129	\$ 40,340,481	\$ 40,154,100	\$ 2,046,510
Total assets	<u>\$ 1,860,129</u>	<u>\$ 40,340,481</u>	<u>\$ 40,154,100</u>	<u>\$ 2,046,510</u>
Liabilities				
Accounts payable	\$ --	\$ 16,501,933	\$ 16,501,933	\$ --
Deposits	1,860,129	40,407,175	40,220,794	2,046,510
Total liabilities	<u>\$ 1,860,129</u>	<u>\$ 56,909,108</u>	<u>\$ 56,722,727</u>	<u>\$ 2,046,510</u>
Clerk's State Documentary Stamp Fund				
Assets				
Cash	\$ 503,388	\$ 13,618,558	\$ 13,537,582	\$ 584,364
Total assets	<u>\$ 503,388</u>	<u>\$ 13,618,558</u>	<u>\$ 13,537,582</u>	<u>\$ 584,364</u>
Liabilities				
Due to other governments	503,388	13,618,558	13,537,582	584,364
Total liabilities	<u>\$ 503,388</u>	<u>\$ 13,618,558</u>	<u>\$ 13,537,582</u>	<u>\$ 584,364</u>

Continued

Santa Rosa County, Florida
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year ended September 30, 2016

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Clerk's Suspense Fund				
Assets				
Cash	\$ 82,076	\$ 1,131,487	\$ 1,132,814	\$ 80,749
Total assets	<u>\$ 82,076</u>	<u>\$ 1,131,487</u>	<u>\$ 1,132,814</u>	<u>\$ 80,749</u>
Liabilities				
Accounts payable	\$ --	\$ 214,911	\$ 214,156	\$ 755
Due to other governments	\$ 82,076	\$ 1,112,351	\$ 1,114,433	\$ 79,994
Total liabilities	<u>\$ 82,076</u>	<u>\$ 1,327,262</u>	<u>\$ 1,328,589</u>	<u>\$ 80,749</u>
Clerk's Tax Redemption Fund				
Assets				
Cash	\$ 407,575	\$ 1,186,478	\$ 998,380	\$ 595,673
Total assets	<u>\$ 407,575</u>	<u>\$ 1,186,478</u>	<u>\$ 998,380</u>	<u>\$ 595,673</u>
Liabilities				
Deposits	\$ 407,575	\$ 1,482,662	\$ 1,294,564	\$ 595,673
Total liabilities	<u>\$ 407,575</u>	<u>\$ 1,482,662</u>	<u>\$ 1,294,564</u>	<u>\$ 595,673</u>
Clerk's Ordinary Witness Fund				
Assets				
Cash	\$ 13,269	\$ 32,580	\$ 17,859	\$ 27,990
Due from other governments	25,544	3,260	17,920	10,884
Total assets	<u>\$ 38,813</u>	<u>\$ 35,840</u>	<u>\$ 35,779</u>	<u>\$ 38,874</u>
Liabilities				
Accounts payable	\$ 38,813	\$ 17,920	\$ 17,859	\$ 38,874
Total liabilities	<u>\$ 38,813</u>	<u>\$ 17,920</u>	<u>\$ 17,859</u>	<u>\$ 38,874</u>
Clerk's Bail Bond Fund				
Assets				
Cash	\$ 126,361	\$ 852,375	\$ 517,410	\$ 461,326
Total assets	<u>\$ 126,361</u>	<u>\$ 852,375</u>	<u>\$ 517,410</u>	<u>\$ 461,326</u>
Liabilities				
Deposits	\$ 126,361	\$ 852,375	\$ 517,410	\$ 461,326
Total liabilities	<u>\$ 126,361</u>	<u>\$ 1,368,197</u>	<u>\$ 1,033,232</u>	<u>\$ 461,326</u>

Continued

Santa Rosa County, Florida
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year ended September 30, 2016

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Clerk's Flower Trust Fund				
Assets				
Cash	\$ 898	\$ 898	\$ 473	\$ 1,323
Total assets	<u>\$ 898</u>	<u>\$ 898</u>	<u>\$ 473</u>	<u>\$ 1,323</u>
Liabilities				
Deposits	\$ 898	\$ 898	\$ 473	\$ 1,323
Total liabilities	<u>\$ 898</u>	<u>\$ 898</u>	<u>\$ 473</u>	<u>\$ 1,323</u>
Tax Collector's Tax Fund				
Assets				
Cash	\$ 1,304,805	\$ 155,690,341	\$ 155,590,665	\$ 1,404,481
Accounts receivable	105,086	67,405,414	67,357,231	153,269
Total assets	<u>\$ 1,409,891</u>	<u>\$ 223,095,755</u>	<u>\$ 222,947,896</u>	<u>\$ 1,557,750</u>
Liabilities				
Due to other governments	1,393,100	56,143,129	56,001,550	1,534,679
Miscellaneous	16,791	3,734,444	3,728,164	23,071
Total liabilities	<u>\$ 1,409,891</u>	<u>\$ 59,877,573</u>	<u>\$ 59,729,714</u>	<u>\$ 1,557,750</u>
Sheriff's Suspense Fund				
Assets				
Cash	\$ 15,949	\$ 405,464	\$ 401,439	\$ 19,974
Total assets	<u>\$ 15,949</u>	<u>\$ 405,464</u>	<u>\$ 401,439</u>	<u>\$ 19,974</u>
Liabilities				
Accounts payable	\$ 15,949	\$ 179,751	\$ 175,726	\$ 19,974
Due to other funds	--	2,997	2,997	--
Total liabilities	<u>\$ 15,949</u>	<u>\$ 182,748</u>	<u>\$ 178,723</u>	<u>\$ 19,974</u>
Sheriff's Seizure Fund				
Assets				
Cash	\$ 6,432	\$ 93,408	\$ 82,959	\$ 16,881
Due from other governments	49	215	246	18
Total assets	<u>\$ 6,481</u>	<u>\$ 93,623</u>	<u>\$ 83,205</u>	<u>\$ 16,899</u>
Liabilities				
Accounts payable	\$ --	\$ 40,862	\$ 40,862	\$ --
Deposits	\$ 6,481	\$ 51,507	\$ 41,089	\$ 16,899
Total liabilities	<u>\$ 6,481</u>	<u>\$ 92,369</u>	<u>\$ 81,951</u>	<u>\$ 16,899</u>

Continued

Santa Rosa County, Florida
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year ended September 30, 2016

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Sheriff's Flower Fund				
Assets				
Cash	\$ 16,436	\$ 7,639	\$ 7,256	\$ 16,819
Total assets	<u>\$ 16,436</u>	<u>\$ 7,639</u>	<u>\$ 7,256</u>	<u>\$ 16,819</u>
Liabilities				
Accounts payable	\$ --	\$ 4,998	\$ 4,692	\$ 306
Deposits	\$ 16,436	\$ 77	\$ --	\$ 16,513
Total liabilities	<u>\$ 16,436</u>	<u>\$ 5,075</u>	<u>\$ 4,692</u>	<u>\$ 16,819</u>
TOTAL AGENCY FUNDS				
Assets				
Cash	\$ 4,714,522	\$ 219,484,252	\$ 218,542,639	\$ 5,656,135
Accounts receivable	105,086	67,405,414	67,357,231	153,269
Due from other governments	<u>25,593</u>	<u>3,475</u>	<u>18,166</u>	<u>10,902</u>
Total assets	<u>\$ 4,845,201</u>	<u>\$ 286,893,141</u>	<u>\$ 285,918,036</u>	<u>\$ 5,820,306</u>
Liabilities				
Accounts payable	\$ 176,521	\$ 18,979,988	\$ 19,096,600	\$ 59,909
Deposits	\$ 2,417,880	\$ 42,794,694	\$ 42,074,330	\$ 3,138,244
Due to other governments	2,234,009	76,999,586	76,634,513	2,599,082
Miscellaneous	<u>16,791</u>	<u>3,734,444</u>	<u>3,728,164</u>	<u>23,071</u>
Total liabilities	<u>\$ 4,845,201</u>	<u>\$ 142,511,709</u>	<u>\$ 141,536,604</u>	<u>\$ 5,820,306</u>



STATISTICAL SECTION

Statistical Section

This part of Santa Rosa County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	120
Revenue Capacity These schedules contain information to help the reader assess the governments most significant local revenue source, the property tax.	126
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	130
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment which the government's financial activities take place.	133
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	135

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year.

SANTA ROSA COUNTY, FLORIDA
NET POSITION BY CATEGORY
LAST TEN FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

	Fiscal Year				
	2007	2008	2009	2010	2011
Governmental activities					
Net investment in capital assets	\$ 131,252,842	\$ 133,388,166	\$ 143,184,358	\$ 132,776,964	\$ 129,188,217
Restricted	12,900,114	12,598,760	12,357,781	12,873,156	33,879,516
Unrestricted	14,434,867	22,597,572	21,641,186	41,592,657	22,477,043
Governmental activities net position	<u>158,587,823</u>	<u>168,584,498</u>	<u>177,183,325</u>	<u>187,242,777</u>	<u>185,544,776</u>
Business-type activities					
Net investment in capital assets	8,298,508	11,705,307	11,436,237	11,026,751	10,349,909
Restricted	3,109,163	3,355,280	3,617,674	3,806,625	3,928,968
Unrestricted	97,179	(3,249,271)	(3,279,926)	(2,870,535)	(2,070,174)
Business-type activities net position	<u>11,504,850</u>	<u>11,811,316</u>	<u>11,773,985</u>	<u>11,962,841</u>	<u>12,208,703</u>
Primary Government					
Net investment in capital assets	139,551,350	145,093,473	154,620,595	143,803,715	139,538,126
Restricted	16,009,277	15,954,040	15,975,455	16,679,781	37,808,484
Unrestricted	14,532,046	19,348,301	18,361,260	38,722,122	20,406,869
Primary government net position	<u>\$ 170,092,673</u>	<u>\$ 180,395,814</u>	<u>\$ 188,957,310</u>	<u>\$ 199,205,618</u>	<u>\$ 197,753,479</u>
	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental activities					
Net investment in capital assets	\$ 131,087,734	\$ 133,506,512	\$ 130,795,701	\$ 135,370,552	\$ 139,306,062
Restricted	32,382,803	22,387,475	23,548,402	25,790,229	14,142,440
Unrestricted	24,272,173	27,789,157	29,782,242	(5,401,187)	3,139,025
Governmental activities net position	<u>187,742,710</u>	<u>183,683,144</u>	<u>184,126,345</u>	<u>155,759,594</u>	<u>156,587,527</u>
Business-type activities					
Net investment in capital assets	10,411,539	11,055,493	11,967,295	12,195,766	14,179,449
Restricted	4,061,168	4,752,608	4,966,334	5,226,306	8,639,599
Unrestricted	510,657	138,096	(163,114)	872,240	(512,914)
Business-type activities net position	<u>14,983,364</u>	<u>15,946,197</u>	<u>16,770,515</u>	<u>18,294,312</u>	<u>22,306,134</u>
Primary Government					
Net investment in capital assets	141,499,273	144,562,005	142,762,996	147,566,318	153,485,511
Restricted	36,443,971	27,140,083	28,514,736	31,016,535	22,782,039
Unrestricted	24,782,830	27,927,253	29,619,128	(4,528,947)	2,626,111
Primary government net position	<u>\$ 202,726,074</u>	<u>\$ 199,629,341</u>	<u>\$ 200,896,860</u>	<u>\$ 174,053,906</u>	<u>\$ 178,893,661</u>

SANTA ROSA COUNTY, FLORIDA
CHANGES IN NET POSITION - EXPENSES
LAST TEN FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

Expenses	Fiscal Year				
	2007	2008	2009	2010	2011
Governmental activities:					
General government	\$ 34,196,261	\$ 33,627,656	\$ 34,372,227	\$ 30,657,305	\$ 30,666,338
Public safety	48,884,722	46,286,380	41,251,412	40,266,771	41,858,922
Physical environment	6,988,941	2,963,362	2,598,684	2,556,442	4,523,435
Transportation	16,513,892	19,775,619	17,308,186	17,889,846	17,598,242
Economic environment	9,328,158	5,018,423	2,880,164	4,496,371	3,671,637
Human services	4,522,251	4,209,362	4,193,707	3,554,907	4,395,636
Culture and recreation	3,290,952	2,281,334	3,508,321	3,149,230	4,233,967
Interest on long-term debt	446,815	516,752	603,733	586,781	452,183
Total governmental activities	<u>124,171,992</u>	<u>114,678,888</u>	<u>106,716,434</u>	<u>103,157,653</u>	<u>107,400,360</u>
Business-type activities:					
Navarre Beach water and sewer	1,865,563	2,731,219	2,080,665	2,019,732	2,374,547
Peter Prince Airport	225,644	339,894	417,409	437,612	377,015
Industrial park*	-	-	-	-	-
Landfill	3,767,481	4,046,622	4,172,685	3,853,990	4,199,966
Total business-type activities	<u>5,858,688</u>	<u>7,117,735</u>	<u>6,670,759</u>	<u>6,311,334</u>	<u>6,951,528</u>
Total government expenses	<u>\$ 130,030,680</u>	<u>\$ 121,796,623</u>	<u>\$ 113,387,193</u>	<u>\$ 109,468,987</u>	<u>\$ 114,351,888</u>

Expenses	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental activities:					
General government	\$ 32,570,186	\$ 35,322,678	\$ 32,077,210	\$ 33,323,950	\$ 34,534,581
Public safety	38,621,376	39,189,911	43,539,307	43,855,080	47,580,239
Physical environment	4,858,171	3,697,513	2,670,154	3,232,111	16,540,405
Transportation	17,262,229	15,368,137	18,931,798	6,301,085	16,928,328
Economic environment	2,512,105	2,842,783	3,677,666	4,138,167	3,585,571
Human services	5,355,802	5,297,919	5,557,949	5,632,639	5,209,959
Culture and recreation	2,837,640	1,220,483	4,053,156	4,458,293	4,430,637
Interest on long-term debt	310,886	248,439	189,570	151,820	851,086
Total governmental activities	<u>104,328,395</u>	<u>103,187,863</u>	<u>110,696,810</u>	<u>101,093,145</u>	<u>129,660,806</u>
Business-type activities:					
Navarre Beach water and sewer	1,790,622	1,774,576	1,959,739	1,840,277	2,019,652
Peter Prince Airport	531,658	505,658	448,747	434,803	539,498
Landfill	2,621,080	3,700,852	4,241,176	4,661,715	4,072,679
Total business-type activities	<u>4,943,360</u>	<u>5,981,086</u>	<u>6,649,662</u>	<u>6,936,795</u>	<u>6,631,829</u>
Total government expenses	<u>\$ 109,271,755</u>	<u>\$ 109,168,949</u>	<u>\$ 117,346,472</u>	<u>\$ 108,029,940</u>	<u>\$ 136,292,635</u>

* The Industrial Park fund was reclassified as a special revenue fund (a governmental activity) in 2007

SANTA ROSA COUNTY, FLORIDA
CHANGES IN NET POSITION - PROGRAM REVENUES
LAST TEN FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

	Fiscal Year				
	2007	2008	2009	2010	2011
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 16,836,144	\$ 15,416,507	\$ 20,792,814	\$ 17,839,533	\$ 16,787,093
Public safety	4,477,969	6,471,548	6,143,837	8,842,111	7,872,698
Physical environment	1,013,842	1,037,211	1,065,075	434,242	885,379
Transportation	7,739,139	730,496	3,179,299	38,956	2,395,630
Human services	49,944	42,266	48,816	40,706	37,986
Culture and recreation	31,190	37,548	49,957	204,803	365,280
Operating grants and contributions	25,140,005	15,697,588	9,930,694	20,024,216	8,472,055
Capital grants and contributions	666,566	3,858,157	7,797,224	15,251	1,776,494
Total governmental activities program revenue:	<u>55,954,799</u>	<u>43,291,321</u>	<u>49,007,716</u>	<u>47,439,818</u>	<u>38,592,615</u>
Business-type activities:					
Charges for services:					
Navarre Beach water and sewer	1,925,069	1,846,469	1,892,873	1,740,672	1,726,313
Peter Prince Airport	147,526	134,995	204,100	227,890	240,224
Landfill	3,982,407	4,048,874	4,316,713	4,064,536	4,048,903
Capital grants and contributions	406,294	965,150	3,472	134,404	424,359
Total business-type activities	<u>6,461,296</u>	<u>6,995,488</u>	<u>6,417,158</u>	<u>6,167,502</u>	<u>6,439,799</u>
Total government program revenues	<u>\$ 62,416,095</u>	<u>\$ 50,286,809</u>	<u>\$ 55,424,874</u>	<u>\$ 53,607,320</u>	<u>\$ 45,032,414</u>
Net (Expense)/Revenue					
Governmental activities	\$ (68,217,193)	\$ (71,387,567)	\$ (57,708,718)	\$ (55,717,835)	\$ (68,807,745)
Business-type activities	602,608	(121,247)	(253,601)	(143,832)	(511,729)
Total government net expense	<u>\$ (67,614,585)</u>	<u>\$ (71,508,814)</u>	<u>\$ (57,962,319)</u>	<u>\$ (55,861,667)</u>	<u>\$ (69,319,474)</u>
	Fiscal Year				
	2012	2013	2014	2015	2016
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 18,081,960	\$ 18,032,139	\$ 19,838,193	\$ 20,486,568	\$ 20,165,926
Public safety	4,370,643	3,577,641	4,699,449	7,228,652	7,526,515
Physical environment	5,782,002	5,165,440	5,707,544	5,431,080	4,680,733
Transportation	261,684	246,785	191,636	146,383	47,551
Human services	36,603	32,892	37,188	33,079	37,259
Culture and recreation	380,985	336,709	403,688	391,097	488,274
Operating grants and contributions	8,833,949	5,819,975	3,881,017	2,760,609	12,902,748
Capital grants and contributions	5,162,953	2,018,166	3,884,357	2,879,592	3,091,704
Total governmental activities program revenue:	<u>42,910,779</u>	<u>35,229,747</u>	<u>38,643,072</u>	<u>39,357,060</u>	<u>48,940,710</u>
Business-type activities:					
Charges for services:					
Navarre Beach water and sewer	1,690,378	1,880,831	1,904,215	2,091,096	2,124,356
Peter Prince Airport	231,914	250,643	253,484	269,440	297,943
Landfill	4,057,528	4,290,879	4,808,104	5,886,791	7,965,978
Capital grants and contributions	680,971	347,459	329,224	815,405	67,154
Total business-type activities	<u>6,660,791</u>	<u>6,769,812</u>	<u>7,295,027</u>	<u>9,062,732</u>	<u>10,455,431</u>
Total government program revenues	<u>\$ 49,571,570</u>	<u>\$ 41,999,559</u>	<u>\$ 45,938,099</u>	<u>\$ 48,419,792</u>	<u>\$ 59,396,141</u>
Net (Expense)/Revenue					
Governmental activities	\$ (61,417,616)	\$ (67,958,116)	\$ (72,053,738)	\$ (61,736,085)	\$ (80,720,096)
Business-type activities	1,717,431	788,726	645,365	2,125,937	3,823,602
Total government net expense	<u>\$ (59,700,185)</u>	<u>\$ (67,169,390)</u>	<u>\$ (71,408,373)</u>	<u>\$ (59,610,148)</u>	<u>\$ (76,896,494)</u>

SANTA ROSA COUNTY, FLORIDA
CHANGES IN NET POSITION - GENERAL REVENUES AND OTHER CHANGES
LAST TEN FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

	Fiscal Year				
	2007	2008	2009	2010	2011
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 56,309,485	\$ 54,443,406	\$ 50,146,574	\$ 47,020,365	\$ 44,677,921
Sales, use and fuel taxes	4,917,103	4,720,820	4,622,118	4,525,645	4,688,107
Franchise fees	5,110,630	5,224,408	-	-	-
Communication services taxes	1,274,401	1,418,106	1,742,117	1,597,163	1,484,790
Unrestricted grants and contributions	12,675,378	12,562,005	8,513,389	11,519,481	15,243,479
Unrestricted investment earnings	3,516,658	2,028,081	600,437	397,078	292,746
Miscellaneous	1,493,763	747,062	629,985	516,773	663,315
Gain on sale of assets	376,002	240,354	52,925	200,781	119,561
Transfers	-	-	-	-	-
Total governmental activities	<u>85,673,420</u>	<u>81,384,242</u>	<u>66,307,545</u>	<u>65,777,286</u>	<u>67,169,919</u>
Business-type activities:					
Unrestricted investment earnings	439,343	276,965	162,599	116,436	50,544
Miscellaneous	79,583	22,409	658	9,270	332,436
Gain on sale of assets	260,557	287,053	53,013	206,982	374,611
Transfers	-	(157,714)	-	-	-
Total business-type activities	<u>779,483</u>	<u>428,713</u>	<u>216,270</u>	<u>332,688</u>	<u>757,591</u>
Total government	<u>\$ 86,452,903</u>	<u>\$ 81,812,955</u>	<u>\$ 66,523,815</u>	<u>\$ 66,109,974</u>	<u>\$ 67,927,510</u>
Change in Net Position					
Governmental activities	\$ 17,456,227	\$ 9,996,675	\$ 8,598,827	\$ 10,059,451	\$ (1,637,826)
Business-type activities	1,382,091	307,466	(37,331)	188,856	245,862
Total government	<u>\$ 18,838,318</u>	<u>\$ 10,304,141</u>	<u>\$ 8,561,496</u>	<u>\$ 10,248,307</u>	<u>\$ (1,391,964)</u>

	Fiscal Year				
	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 44,209,879	\$ 42,806,636	\$ 48,305,322	\$ 46,335,319	\$ 49,251,991
Sales, use and fuel taxes	4,965,861	5,106,283	5,521,730	6,182,387	9,220,510
Communication services taxes	1,461,621	1,474,562	1,415,391	1,363,480	1,264,504
Unrestricted grants and contributions	12,523,404	13,029,453	13,791,230	14,226,746	14,929,576
Unrestricted investment earnings	431,939	137,829	87,033	163,795	309,686
Miscellaneous	595,156	1,344,805	1,675,778	2,322,467	6,571,760
Gain on sale of assets	65,596	24,041	1,700,455	-	-
Transfers	(637,906)	(25,060)	-	(142,066)	-
Total governmental activities	<u>63,615,550</u>	<u>63,898,549</u>	<u>72,496,939</u>	<u>70,452,128</u>	<u>81,548,027</u>
Business-type activities:					
Unrestricted grants and contributions	-	-	10,611	57,894	-
Unrestricted investment earnings	112,147	30,161	36,488	6,660	91,861
Miscellaneous	341	2,660	21,402	235,101	11,044
Gain on sale of assets	306,836	116,226	110,452	-	85,312
Transfers	637,906	25,060	-	142,066	-
Total business-type activities	<u>1,057,230</u>	<u>174,107</u>	<u>178,953</u>	<u>441,721</u>	<u>188,217</u>
Total government	<u>\$ 64,672,780</u>	<u>\$ 64,072,656</u>	<u>\$ 72,675,892</u>	<u>\$ 70,893,849</u>	<u>\$ 81,736,244</u>
Change in Net Position					
Governmental activities	\$ 2,197,934	\$ (4,059,567)	\$ 443,201	\$ 8,716,043	\$ 827,931
Business-type activities	2,774,661	962,833	824,318	2,567,658	4,011,819
Total government	<u>\$ 4,972,595</u>	<u>\$ (3,096,734)</u>	<u>\$ 1,267,519</u>	<u>\$ 11,283,701</u>	<u>\$ 4,839,750</u>

SANTA ROSA COUNTY, FLORIDA
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)
(modified accrual basis of accounting)

PRE-GASB 54	Fiscal Year					
	2007	2008	2009	2010		
General Fund						
Reserved	\$ 1,488,653	\$ 1,588,445	\$ 1,787,743	\$ 2,108,206		
Unreserved	7,579,956	12,063,602	13,401,079	17,823,783		
Total general fund	<u>\$ 9,068,609</u>	<u>\$ 13,652,047</u>	<u>\$ 15,188,822</u>	<u>\$ 19,931,989</u>		
All Other Governmental Funds						
Reserved	\$ 12,535,252	\$ 12,210,513	\$ 11,116,988	\$ 11,238,664		
Unreserved, reported in:						
Special revenue funds	16,943,175	22,998,107	23,889,590	26,447,747		
Capital project funds	136,328	93,726	156,178	227,762		
Debt service funds	5,412,472	4,137,869	6,326,484	5,839,991		
Permanent fund*	34,135	131,438	158,539	171,900		
Total all other governmental funds	<u>\$ 35,061,362</u>	<u>\$ 39,571,653</u>	<u>\$ 41,647,779</u>	<u>\$ 43,926,064</u>		
POST-GASB 54						
General Fund	Fiscal Year					
	2011	2012	2013	2014	2015	2016
Nonspendable						
Nonspendable	\$ 162,936	\$ 135,386	\$ 82,751	\$ 107,193	\$ 90,672	\$ 62,459
Spendable						
Restricted	1,527,274	1,407,140	1,456,353	1,733,869	1,901,139	2,033,211
Committed	3,596,262	3,596,898	3,597,664	3,598,490	3,599,211	3,599,876
Assigned	178,708	190,222	195,317	8,586,073	8,805,007	2,967,560
Unassigned	22,512,271	22,187,824	25,370,006	23,606,591	24,700,673	30,246,748
Total general fund	<u>\$ 27,977,451</u>	<u>\$ 27,517,470</u>	<u>\$ 30,702,091</u>	<u>\$ 37,632,216</u>	<u>\$ 39,096,702</u>	<u>\$ 38,909,854</u>
All Other Governmental Funds						
Nonspendable						
Nonspendable	\$ 351,155	\$ 425,346	\$ 519,971	\$ 304,885	\$ 318,926	\$ 315,881
Spendable						
Restricted	22,107,029	15,894,090	10,872,229	12,011,918	11,021,558	12,109,229
Committed	6,364,033	11,188,029	9,486,005	9,462,579	9,008,363	8,385,969
Assigned	11,313,604	11,992,066	9,669,577	6,676,129	7,258,486	8,907,488
Unassigned	-	(173,433)	(226,872)	(1,135,383)	(208,078)	(886,790)
Total all other governmental funds	<u>\$ 40,135,821</u>	<u>\$ 39,326,098</u>	<u>\$ 30,320,910</u>	<u>\$ 27,320,128</u>	<u>\$ 27,399,255</u>	<u>\$ 28,831,777</u>

* The Gas and Oil Preservation fund was reclassified from a special revenue fund to a permanent fund in 2007.

Note: Four years data available for GASB 34 compliance.
Six years data available for GASB 54 compliance which was adopted in 2011.

**SANTA ROSA COUNTY, FLORIDA
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$ 67,611,619	\$ 65,806,740	\$ 56,510,809	\$ 53,143,173	\$ 50,850,818	\$ 50,637,361	\$ 49,387,481	\$ 55,242,443	\$ 53,881,186	\$ 59,737,006
Licenses and permits	2,402,048	1,630,515	-	-	-	-	-	-	-	-
Permits, fees and special assessments (1)	-	-	12,961,936	13,138,557	13,012,151	12,574,192	12,310,017	13,251,694	13,213,555	13,747,389
Intergovernmental	37,471,474	29,874,539	26,583,572	31,806,237	26,153,628	24,970,033	21,050,905	21,745,969	20,163,571	31,201,335
Charges for services	16,061,045	11,514,082	12,609,170	9,350,556	10,583,584	10,487,027	10,559,196	12,285,986	15,335,216	14,661,408
Fines and forfeitures	359,746	1,240,444	1,107,522	469,775	554,746	482,381	600,577	1,270,224	1,463,623	1,412,344
Miscellaneous	14,616,897	11,482,484	2,622,015	2,494,784	2,735,551	4,060,676	3,586,195	5,652,134	3,376,219	3,166,862
Total revenues	<u>138,522,829</u>	<u>121,548,804</u>	<u>112,395,024</u>	<u>110,403,082</u>	<u>103,890,478</u>	<u>103,211,670</u>	<u>97,494,371</u>	<u>109,448,450</u>	<u>107,433,370</u>	<u>123,926,344</u>
Expenditures										
General government	29,966,646	27,810,341	28,098,472	25,671,723	23,179,032	27,362,444	25,555,181	27,665,859	28,832,963	28,320,515
Public safety	49,567,656	45,966,642	41,475,089	38,266,843	41,980,720	37,917,752	39,773,530	43,474,891	45,351,135	43,704,141
Physical environment	6,992,161	2,376,837	2,484,976	2,513,191	4,464,070	4,822,389	3,578,143	2,547,824	3,257,125	16,356,077
Transportation	22,819,569	20,240,520	17,096,856	16,513,066	16,633,682	15,690,345	19,317,046	17,551,654	12,885,058	13,640,571
Economic environment	11,771,820	6,431,343	2,801,944	4,432,576	3,676,051	2,516,642	2,752,647	3,607,947	4,068,837	3,427,798
Human services	4,506,415	4,112,816	4,209,983	3,517,648	4,457,683	5,468,780	5,215,463	5,449,681	5,944,871	5,003,386
Culture and recreation	3,647,177	2,943,157	3,001,173	2,816,448	3,149,088	2,695,246	2,875,555	2,867,276	3,235,694	2,916,554
Capital outlay	3,514,408	3,160,826	11,859,687	7,543,886	215,166	1,048,244	2,191,074	488,191	349,049	12,644,982
Debt service										
Principal	2,255,765	1,988,110	2,470,274	2,740,258	5,606,394	5,618,597	1,430,597	1,259,276	1,193,194	1,773,560
Interest	494,321	516,363	563,745	636,800	585,792	310,886	213,123	172,712	134,732	196,066
Total expenditures	<u>135,535,938</u>	<u>115,546,955</u>	<u>114,062,199</u>	<u>104,652,439</u>	<u>103,947,678</u>	<u>103,451,325</u>	<u>102,902,359</u>	<u>105,085,311</u>	<u>105,252,658</u>	<u>127,983,650</u>
Excess of revenues over (under) expenditures	2,986,891	6,001,849	(1,667,175)	5,750,643	(57,200)	(239,655)	(5,407,988)	4,363,139	2,180,712	(4,057,306)
Other financing sources (uses)										
Transfers in	13,252,252	6,826,893	12,972,086	12,372,912	12,300,499	19,908,478	8,953,304	10,209,704	12,423,537	13,448,087
Transfers out	(16,914,227)	(6,826,893)	(12,972,086)	(12,372,912)	(12,300,499)	(21,046,384)	(9,429,123)	(10,705,368)	(13,065,603)	(13,398,087)
New debt issue	1,695,970	3,012,232	5,194,500	1,287,870	1,507,000	-	-	-	-	5,279,240
Refunding debt	-	-	-	-	4,400,208	268,350	-	-	-	-
Payments to escrow agent	-	-	-	-	(1,528,789)	-	-	-	-	-
Total other financing sources (uses)	<u>(1,966,005)</u>	<u>3,012,232</u>	<u>5,194,500</u>	<u>1,287,870</u>	<u>4,378,419</u>	<u>(869,556)</u>	<u>(475,819)</u>	<u>(495,664)</u>	<u>(642,066)</u>	<u>5,329,240</u>
Net change in fund balances	<u>\$ 1,020,886</u>	<u>\$ 9,014,081</u>	<u>\$ 3,527,325</u>	<u>\$ 7,038,513</u>	<u>\$ 4,321,219</u>	<u>\$ (1,109,211)</u>	<u>\$ (5,883,807)</u>	<u>\$ 3,867,475</u>	<u>\$ 1,538,646</u>	<u>\$ 1,271,934</u>
Debt service as a percentage of noncapital expenditures	2%	2%	3%	3%	6%	6%	2%	1%	1%	2%

(1) The state mandated chart of accounts was modified to move special assessments from Miscellaneous to a newly named category Permits, Fees and Special Assessments. Franchise fees were reclassified from Taxes to Permits and Fees

SANTA ROSA COUNTY, FLORIDA
JUST AND TAXABLE VALUE OF REAL AND PERSONAL PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	Real Property	Personal Property	REAL PROPERTY EXEMPTIONS	PERSONAL PROPERTY EXEMPTIONS	Less: Tax Exempt Property	REAL PROPERTY TAXABLE VALUE	PERSONAL PROPERTY TAXABLE VALUE	TOTAL JUST VALUE	Total Taxable Assessed Value	Total Direct Tax Rate
2007	\$ 13,930,289,319	\$ 602,456,783	\$ 5,176,873,798	\$ 47,725,095	\$ 5,224,598,893	\$ 8,753,415,521	\$ 554,731,688	\$ 14,532,746,102	\$ 9,308,147,209	6.0953
2008	\$ 13,858,705,774	\$ 628,712,468	\$ 4,821,823,632	\$ 53,415,175	\$ 4,875,238,807	\$ 9,036,882,142	\$ 575,297,293	\$ 14,487,418,242	\$ 9,612,179,435	6.0953
2009	\$ 12,407,795,204	\$ 626,124,722	\$ 4,984,837,837	\$ 72,336,682	\$ 5,057,174,519	\$ 7,422,957,367	\$ 553,788,040	\$ 13,033,919,926	\$ 7,976,745,407	6.0953
2010	\$ 11,586,091,871	\$ 617,342,498	\$ 4,584,028,162	\$ 52,183,196	\$ 4,636,211,358	\$ 7,002,063,709	\$ 565,159,302	\$ 12,203,434,369	\$ 7,567,223,011	6.0953
2011	\$ 11,267,512,706	\$ 594,370,347	\$ 4,441,618,585	\$ 51,297,345	\$ 4,492,915,930	\$ 6,825,894,121	\$ 543,073,002	\$ 11,861,883,053	\$ 7,368,967,123	6.0953
2012	\$ 10,757,912,195	\$ 629,709,562	\$ 4,112,453,855	\$ 51,555,173	\$ 4,164,009,028	\$ 6,645,458,340	\$ 578,154,389	\$ 11,387,621,757	\$ 7,223,612,729	6.0953
2013	\$ 10,868,923,522	\$ 624,513,661	\$ 4,126,017,929	\$ 50,179,329	\$ 4,176,197,258	\$ 6,742,905,593	\$ 574,334,332	\$ 11,493,437,183	\$ 7,317,239,925	6.0953
2014	\$ 11,632,334,984	\$ 605,255,817	\$ 4,497,322,031	\$ 50,842,317	\$ 4,548,164,348	\$ 7,135,012,953	\$ 554,413,500	\$ 12,237,590,801	\$ 7,689,426,453	6.0953
2015	\$ 11,995,646,721	\$ 627,728,822	\$ 4,514,497,235	\$ 349,017,918	\$ 4,863,515,153	\$ 7,481,149,486	\$ 278,710,904	\$ 12,623,375,543	\$ 7,759,860,390	6.0953
2016	\$ 12,499,933,594	\$ 661,823,887	\$ 4,740,517,328	\$ 51,988,439	\$ 4,792,505,767	\$ 7,759,416,266	\$ 609,835,448	\$ 13,161,757,481	\$ 8,369,251,714	6.0953

Source: Property Appraiser, Santa Rosa County

**SANTA ROSA COUNTY, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)**

YEAR	SANTA ROSA COUNTY OPERATING MILLAGE				OVERLAPPING RATES								TOTAL MILLAGE
	GENERAL FUND	ROAD & BRIDGE FUND	FINE & FORFEITURE FUND	TOTAL COUNTY	SCHOOL BOARD OPERATING MILLAGE	CITY OF GULF BREEZE OPERATING MILLAGE	CITY OF MILTON OPERATING MILLAGE	CITY OF JAY OPERATING MILLAGE	AVALON- MULAT FIRE DISTRICT MILLAGE	MIDWAY FIRE DISTRICT MILLAGE	NW FLORIDA WATER MANAGEMENT MILLAGE		
2007	5.8482	0.7250	0.0443	6.6175	7.2070	1.5520	2.7500	2.0000	0.7498	1.4000	0.0450	22.3213	
2008	5.5330	0.5398	0.0225	6.0953	7.1230	1.8000	3.2373	2.0000	0.9700	1.4000	0.0450	22.6706	
2009	5.5443	0.5350	0.0160	6.0953	7.4200	1.9000	3.2373	2.0000	1.0000	1.4000	0.0450	23.0976	
2010	5.8215	0.2417	0.0321	6.0953	7.5750	1.9000	3.2373	2.0000	1.0000	1.4000	0.0450	23.2526	
2011	5.9793	0.1040	0.0120	6.0953	7.7260	1.9000	3.2373	2.0000	1.0000	1.4000	0.0450	23.4036	
2012	5.9793	0.1040	0.0120	6.0953	7.9160	1.9000	3.2373	2.0000	1.0000	1.4000	0.0400	23.5886	
2013	5.9793	0.1040	0.0120	6.0953	7.6680	1.9000	3.2730	2.0000	1.0000	1.6000	0.0400	23.5763	
2014	6.0856	-	0.0097	6.0953	7.4430	1.9723	3.2373	2.0000	2.0000	1.7500	0.0390	24.5369	
2015	6.0953	-	-	6.0953	7.2020	1.9723	3.2373	2.0000	2.0000	1.7500	0.0378	24.2947	
2016	6.0953	-	-	6.0953	6.8400	1.9723	3.2373	2.0000	2.0000	1.8500	0.0366	24.0315	

Source: Tax Collector, Santa Rosa County

SANTA ROSA COUNTY, FLORIDA
PRINCIPAL TAXPAYERS
Current Year and Nine Years Ago
(UNAUDITED)

TAXPAYER	2016			2007		
	ASSESSED VALUATION	Rank	PERCENTAGE OF TOTAL ASSESSED VALUATION	ASSESSED VALUATION	Rank	PERCENTAGE OF TOTAL ASSESSED VALUATION
Gulf Power	\$ 136,255,518	1	1.63%	\$ 71,935,411	1	0.77%
Breitburn Operating	\$ 124,661,072	2	1.49%			
Florida Gas Transmission	\$ 81,431,656	3	0.97%	\$ 54,194,239	3	0.58%
BellSouth Telecomm	\$ 59,799,498	4	0.71%	\$ 46,460,073	4	0.50%
WalMart Stores East	\$ 33,906,389	5	0.41%	\$ 20,967,596	7	0.23%
Taminco, Inc	\$ 25,928,089	6	0.31%			
Santa Rosa Energy	\$ 20,457,620	7	0.24%			
Escambia River Electric Coop	\$ 18,437,740	8	0.22%			
Andrews Institute Medical Park	\$ 17,390,382	9	0.21%			
SF III Pensacola LLC	\$ 14,141,130	10	0.17%			
Quantum Resources				\$ 66,656,331	2	0.72%
Holi Corp				\$ 23,275,000	5	0.25%
Gooden Homes, Inc				\$ 23,274,438	6	0.25%
Taminco Methylamines, Inc				\$ 19,290,868	8	0.21%
Mediacom Southeast, LLC				\$ 19,243,241	9	0.21%
Inexo Oil Company				\$ 18,634,087	10	0.20%
Total assessed	\$ 8,369,251,714			\$ 9,308,147,209		

Source: Property Appraiser, Santa Rosa County

**SANTA ROSA COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
ALL GOVERNMENTAL FUND TYPES
LAST TEN FISCAL YEARS
(UNAUDITED)**

YEAR	TOTAL TAX LEVY	CURRENT AND PRIOR YEARS ADJUSTMENTS	OUTSTANDING DELINQUENT TAXES	DISCOUNTS ALLOWED	CURRENT TAX COLLECTIONS	PERCENT OF CURRENT TAX COLLECTIONS TO TOTAL LEVY	TOTAL TAX COLLECTION	PERCENT OF TOTAL TAX COLLECTION TO TOTAL LEVY	PERCENT OF DELINQUENT TAXES TO TAX LEVY
2007	\$ 58,687,662	\$ 97,366	\$ 1,566,663	\$ 1,701,578	\$ 55,322,054	94.27%	\$ 57,023,632	97.16%	2.67%
2008	\$ 56,773,097	\$ (7,730)	\$ 1,838,335	\$ 1,640,881	\$ 53,301,611	93.89%	\$ 54,942,492	96.78%	3.24%
2009	\$ 52,897,253	\$ 48,300	\$ 2,292,390	\$ 1,503,930	\$ 49,052,631	92.73%	\$ 50,556,561	95.58%	4.33%
2010	\$ 48,654,632	\$ 46,386	\$ 1,414,445	\$ 1,384,986	\$ 45,808,545	94.15%	\$ 47,193,531	97.00%	2.91%
2011	\$ 46,151,773	\$ (5,338)	\$ 859,288	\$ 1,364,326	\$ 43,933,827	95.19%	\$ 45,298,153	98.15%	1.86%
2012	\$ 44,944,141	\$ (12,852)	\$ 416,988	\$ 1,379,496	\$ 42,951,863	95.57%	\$ 44,331,359	98.64%	0.93%
2013	\$ 44,054,676	\$ 8,243	\$ 328,356	\$ 1,375,961	\$ 42,284,295	95.98%	\$ 43,660,256	99.10%	0.75%
2014	\$ 44,620,332	\$ 8,315	\$ 266,157	\$ 1,433,608	\$ 42,836,934	96.00%	\$ 44,270,542	99.22%	0.60%
2015	\$ 46,948,088	\$ 10,720	\$ 47,384	\$ 1,588,836	\$ 45,266,448	96.42%	\$ 46,855,284	99.80%	0.10%
2016	\$ 49,217,480	\$ 23,618	\$ 43,820	\$ 1,687,131	\$ 47,091,704	95.68%	\$ 48,778,836	99.11%	0.09%

Source: Tax Collector, Santa Rosa County

SANTA ROSA COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

YEAR	General Obligation Debt	Governmental Activities			Business-Type	Total	Percentage of Personal Income	Per Capita
		Revenue- Backed Debt	Special Assessment Debt	Capital Leases	Activities Revenue Debt			
2007	\$ 2,338,979	\$ 1,195,399	\$ 5,693,011	\$ -	\$ 8,462,167	\$ 17,689,556	0.365%	\$ 121.80
2008	\$ 1,809,721	\$ 1,176,435	\$ 7,526,784	\$ -	\$ 8,124,926	\$ 18,637,866	0.372%	\$ 126.16
2009	\$ 4,359,387	\$ 1,036,547	\$ 8,107,660	\$ -	\$ 7,332,123	\$ 20,835,717	0.410%	\$ 139.58
2010	\$ 4,571,570	\$ 1,297,671	\$ 6,553,751	\$ -	\$ 6,731,737	\$ 19,154,729	0.367%	\$ 126.54
2011	\$ 3,629,311	\$ 2,642,478	\$ 6,553,226	\$ -	\$ 6,117,601	\$ 18,942,616	0.340%	\$ 122.29
2012	\$ -	\$ 2,296,306	\$ 5,166,457	\$ -	\$ 5,451,581	\$ 12,914,344	0.219%	\$ 83.11
2013	\$ -	\$ 1,942,442	\$ 4,089,724	\$ -	\$ 4,765,239	\$ 10,797,405	0.178%	\$ 68.63
2014	\$ -	\$ 1,580,707	\$ 3,192,683	\$ -	\$ 4,058,392	\$ 8,831,782	0.144%	\$ 54.04
2015	\$ -	\$ 1,210,908	\$ 2,368,788	\$ -	\$ 3,330,357	\$ 6,910,053	0.103%	\$ 41.51
2016	\$ 4,564,519	\$ 832,801	\$ 1,688,055	\$ -	\$ 2,580,741	\$ 9,666,116	0.141%	\$ 57.88

**SANTA ROSA COUNTY, FLORIDA
RATIOS OF GENERAL OBLIGATION DEBT
LAST TEN FISCAL YEARS
(UNAUDITED)**

YEAR	Governmental Activities	Percentage of Actual Taxable Value of Property (2)	Per Capita (1)
	General Obligation Debt		
2007	\$ 2,338,979	0.025%	\$ 16.11
2008	\$ 1,809,721	0.019%	\$ 12.25
2009	\$ 4,359,387	0.055%	\$ 29.20
2010	\$ 4,571,570	0.060%	\$ 30.20
2011	\$ 3,629,311	0.049%	\$ 23.43
2012	\$ -	0.000%	\$ -
2013	\$ -	0.000%	\$ -
2014	\$ -	0.000%	\$ -
2015	\$ -	0.000%	\$ -
2016	\$ 4,564,519	0.055%	\$ 27.33

(1) US Bureau of Economic and Business Research

(2) Property Appraiser, Santa Rosa County

SANTA ROSA COUNTY, FLORIDA
PLEGDED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

REVENUE BONDS

YEAR	Gross Revenues (1)	Less: Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2007	\$ 4,284,557	\$ 3,596,120	\$ 688,437	\$ 410,000	\$ 219,927	109%
2008	\$ 4,518,043	\$ 3,886,073	\$ 631,970	\$ 430,000	\$ 201,970	100%
2009	\$ 4,626,550	\$ 4,003,395	\$ 623,155	\$ 440,000	\$ 183,155	100%
2010	\$ 4,285,885	\$ 3,653,270	\$ 632,615	\$ 465,000	\$ 163,355	101%
2011	\$ 5,642,439	\$ -	\$ 5,642,439	\$ 261,981	\$ 30,876	1927%
2012	\$ 5,735,395	\$ -	\$ 5,735,395	\$ 539,984	\$ 45,628	979%
2013	\$ 6,019,063	\$ -	\$ 6,019,063	\$ 549,387	\$ 35,973	1028%
2014	\$ 6,401,628	\$ -	\$ 6,401,628	\$ 558,953	\$ 26,274	1094%
2015	\$ 6,780,568	\$ -	\$ 6,780,568	\$ 568,686	\$ 13,636	1164%
2016	\$ 7,276,083	\$ -	\$ 7,276,083	\$ 578,589	\$ 6,381	1244%

NOTES PAYABLE

YEAR	Gross Revenues (2)	Less: Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2007	\$ 2,805,900	\$ 1,600,112	\$ 1,205,788	\$ 339,934	\$ 144,928	249%
2008	\$ 2,885,096	\$ 2,335,798	\$ 549,298	\$ 359,658	\$ 300,387	83%
2009	\$ 2,796,916	\$ 1,336,740	\$ 1,460,176	\$ 374,239	\$ 285,737	221%
2010	\$ 2,710,489	\$ 1,260,766	\$ 1,449,723	\$ 394,631	\$ 274,344	217%
2011	\$ 2,512,990	\$ 1,248,551	\$ 1,264,439	\$ 418,618	\$ 221,906	197%
2012	\$ 2,170,996	\$ 1,242,849	\$ 928,147	\$ 396,029	\$ 188,072	159%
2013	\$ 2,416,466	\$ 1,251,933	\$ 1,164,533	\$ 411,648	\$ 172,722	199%
2014	\$ 2,525,419	\$ 1,431,119	\$ 1,094,300	\$ 427,370	\$ 157,299	187%
2015	\$ 2,771,930	\$ 1,305,460	\$ 1,466,470	\$ 443,693	\$ 141,278	251%
2016	\$ 2,884,659	\$ 1,472,189	\$ 1,412,470	\$ 460,321	\$ 124,962	241%

SPECIAL ASSESSMENT NOTES

YEAR	Gross Revenues (3)	Less: Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2007	\$ 2,219,259	\$ -	\$ 2,219,259	\$ 1,473,804	\$ 361,977	121%
2008	\$ 5,385,234	\$ -	\$ 5,385,234	\$ 1,555,853	\$ 358,488	281%
2009	\$ 5,771,832	\$ -	\$ 5,771,832	\$ 1,834,303	\$ 404,466	258%
2010	\$ 6,201,501	\$ -	\$ 6,201,501	\$ 2,003,843	\$ 393,964	259%
2011	\$ 3,079,904	\$ -	\$ 3,079,904	\$ 1,790,959	\$ 294,681	148%
2012	\$ 1,872,823	\$ -	\$ 1,872,823	\$ 1,509,919	\$ 254,225	106%
2013	\$ 921,029	\$ -	\$ 921,029	\$ 870,216	\$ 204,483	86%
2014	\$ 1,155,998	\$ -	\$ 1,155,998	\$ 897,493	\$ 174,533	108%
2015	\$ 991,352	\$ -	\$ 991,352	\$ 823,894	\$ 88,461	109%
2016	\$ 772,276	\$ -	\$ 772,276	\$ 680,682	\$ 78,340	102%

(1) Racetrack and Landfill revenues until 2010. Sales tax revenues from 2011

(2) Electric Franchise Fees

(3) Special Assessments

SANTA ROSA COUNTY, FLORIDA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	POPULATION (1)	PERSONAL INCOME (2) (Thousands)	PER CAPITA PERSONAL INCOME (2)	UNEMPLOYMENT RATE (3)
2007	145,231	\$ 4,843,629	\$ 32,782	3.7%
2008	147,730	\$ 5,008,693	\$ 33,312	5.6%
2009	149,279	\$ 5,083,554	\$ 33,498	9.1%
2010	151,372	\$ 5,222,879	\$ 34,357	9.8%
2011	154,901	\$ 5,569,461	\$ 36,141	9.0%
2012	155,390	\$ 5,906,842	\$ 37,264	7.5%
2013	157,317	\$ 6,079,598	\$ 37,739	6.6%
2014	163,422	\$ 6,146,309	\$ 37,610	5.4%
2015	166,486	\$ 6,721,674	\$ 40,240	4.3%
2016	167,009	\$ 6,847,653 *	\$ 41,181 *	4.6%

* Projected

(1) Florida Legislature, Office of Economic and Demographic Research

(2) US Bureau of Economic Analysis

(3) US Bureau of Labor Statistics

**SANTA ROSA COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

EMPLOYER	2016			2007		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Santa Rosa County School District	2,750	1	3.67%	3,000	1	4.51%
U.S. Government	2,101	2	2.80%	2,290	2	3.44%
Wal-Mart Stores	1,300	3	1.73%	1,375	3	2.06%
State of Florida	1,290	4	1.72%	1,351	4	2.03%
Santa Rosa County	949	5	1.27%	1,018	5	1.53%
Baptist Health Systems	545	6	0.73%	850	6	1.28%
Santa Rosa Medical Center	400	7	0.53%	400	10	0.60%
Blackwater River Correctional Facility	380	8	0.51%			
Publix	350	9	0.47%			
Mediacom	300	10	0.40%	443	9	0.67%
Lowe's				600	7	0.90%
L3 Communications				475	8	0.71%
Total	10,365		14%	11,802		16%
Total employment			74,934			66,589

Source: Santa Rosa County Economic Development Office

SANTA ROSA COUNTY, FLORIDA
COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General government	316	289	253	265	283	265	273	269	269	261
Public safety	528	464	456	451	450	452	451	451	445	451
Physical environment	67	64	54	56	52	52	46	64	65	60
Transportation	137	126	120	118	109	103	105	111	110	108
Economic environment	3	3	2	2	2	2	2	10	11	7
Human services	29	23	23	24	23	22	23	25	25	25
Culture and recreation	49	45	38	34	35	33	32	35	38	37
Total	<u>1,129</u>	<u>1,014</u>	<u>946</u>	<u>950</u>	<u>954</u>	<u>929</u>	<u>932</u>	<u>965</u>	<u>963</u>	<u>949</u>

Source: Departmental reports.

SANTA ROSA COUNTY, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Public safety										
Law Enforcement										
Service calls	144,537	146,907	151,066	138,576	122,807	122,336	118,150	119,731	126,423	144,727
DUI arrests	293	326	303	248	272	175	148	236	215	273
Jail inmates	8,692	8,234	7,469	7,268	7,301	6,618	6,315	6,577	7,249	7,746
Physical environment										
Transportation										
Economic environment										
Human services										
Animal Services										
Service calls	8,728	8,181	7,911	7,689	7,270	8,100	6,995	7,201	7,162	6,520
Adoptions	771	751	794	664	529	517	511	571	616	570
Animal visits to shelter	8,698	8,751	9,035	8,405	7,857	7,875	7,538	6,592	6,631	6,137
Culture and recreation										
Libraries										
Items circulated	495,325	558,751	709,116	469,749	466,608	434,571	425,484	434,571	420,730	405,000
Registered borrowers	29,565	47,919	39,262	47,349	39,422	46,111	51,581	46,111	49,771	52,343

Indicators are not available for the general government function.

Source: Departmental reports

SANTA ROSA COUNTY, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Public safety										
Sheriff's Officers Vehicles	301	287	263	260	241	308	282	285	285	275
Fire Districts	15	15	15	15	15	15	15	15	15	15
Physical environment										
Landfills	2	2	2	2	2	2	2	2	2	2
Transfer stations	1	1	1	1	1	1	1	1	1	1
Water taps	2,188	2,192	2,190	2,190	1,876	1,904	1,904	1,955	2,137	2,152
Sewer taps	2,178	2,181	2,178	2,178	1,864	1,893	1,893	1,942	2,124	2,139
Transportation										
Airports	1	1	1	1	1	1	1	1	1	1
Airport hangers	13	15	15	15	16	16	16	16	16	16
Economic environment										
Industrial Parks	2	2	2	2	2	2	2	2	2	2
Human services										
Animal Services Vehicles	9	9	9	10	10	13	10	11	11	11
Culture and recreation										
Libraries	5	5	5	5	5	5	5	5	5	5
Items in library collection	131,457	144,843	148,957	149,338	132,626	138,565	149,133	138,565	156,786	148,288
Parks	56	56	56	56	56	56	56	56	56	56

Indicators are not available for the general government function.

Source: Departmental reports