

# **Santa Rosa County Florida**



Comprehensive Annual  
Financial Report  
For the Year Ended  
September 30, 2008

**SANTA ROSA COUNTY, FLORIDA**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
FOR THE YEAR ENDED  
SEPTEMBER 30, 2008**

**Mary M. Johnson  
Clerk of the Circuit Court and County Court**

**Prepared By:  
Clerk of the Circuit Court and County Court  
Internal Audit Department**

**William W. Burroughs  
Internal Auditor**

**Santa Rosa County, Florida**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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## **INTRODUCTORY SECTION**

# **Mary M. Johnson**

**Clerk Circuit Court  
Santa Rosa County**

**P.O. Box 472**

**Milton, Florida 32572-0472**

**Telephone:**

**(850) 983-1974**

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**Pace Office**

**(850) 995-3752**

**March 26, 2009**

**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, 2008.**

**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.**

**O'Sullivan Creel, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the Santa Rosa County's financial statements for the year ended September 30, 2008. 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; 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 established an Industrial Park several years ago to provide attractive inducements to businesses willing to invest capital and hire employees at above average wages.*

*In 1991, Santa Rosa County established the Economic Development Council. At the recommendation of this Council, TEAM Santa Rosa was created one year later. In 2001, TEAM Santa Rosa re-organized and became very active in promoting Santa Rosa County with the purpose of retaining and expanding the growth of established businesses, and the recruiting of new businesses to the County. In 2008 several businesses moved into the area. In addition Santa Rosa County has prospects for growth in industrial development and job creation.*

### *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.*

*Tourism, a significant industry for the County, suffered considerable damage from the destruction caused by hurricanes in recent years. To provide funding to rebuild that industry the Tourist Development Tax was increased by 1%.*

### Major Initiatives

*For the Year. The 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.*

*To meet the State's mandate to reduce property tax rates and still provide necessary services to the citizens of the County the County is researching cost cutting measures such as combining Board, Sheriff and Property Appraiser GIS services as well as Sheriff and Emergency Management dispatch services.*

*The County is also in the midst of a multi-year project to expand and upgrade the Navarre Beach water and sewer system.*

*Recent hurricanes and changes in military personnel anticipated by the Base Realignment Commission's report has emphasized a severe need for housing. A Workforce Housing Coalition has been established to better plan and provide workforce housing.*

### 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, 2007. 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.*

  
Mary M. Johnson  
Clerk of the Courts

# 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, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "K. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

**Santa Rosa County, Florida**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**Fiscal Year Ended September 30, 2008**

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**Board of County Commissioners**

W.D. "Don" Salter  
*Chairman*  
Gordon Goodin  
*Vice Chairman*

Jim Williamson  
Robert A. "Bob" Cole  
Lane Lynchard

**Elected Constitutional Officers**

Mary M. Johnson  
*Clerk of the Circuit and County Court*

Gregory S. Brown  
*Property Appraiser*

Ann Bodenstein  
*Supervisor of Elections*

Wendell Hall  
*Sheriff*

Stan Colie Nichols  
*Tax Collector*

**County Management**

Hunter Walker  
*County Administrator*

Tom Dannheisser  
*County Attorney*

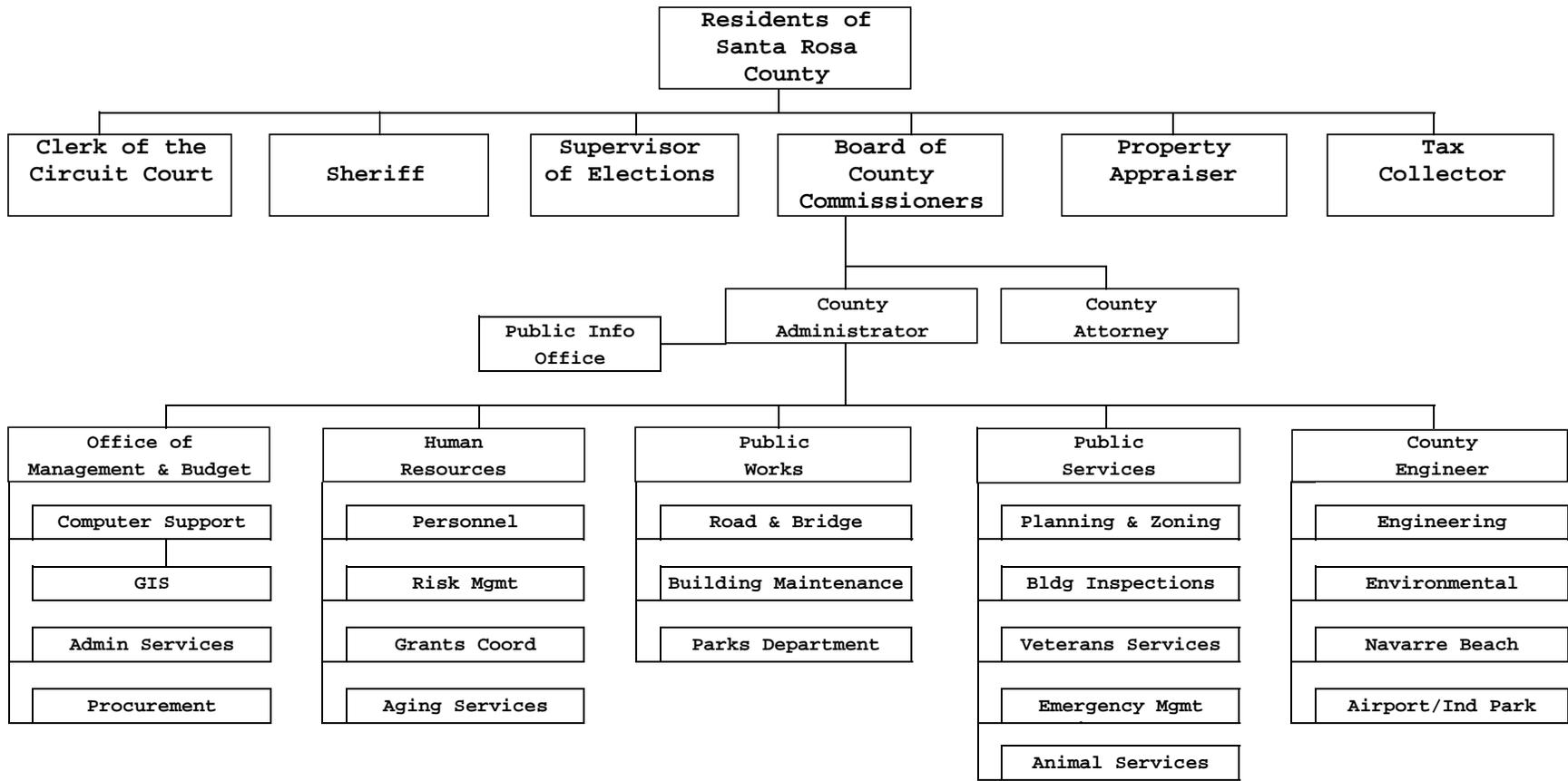
Joel Haniford  
*Office of Management and Budget*

DeVann Cook  
*Director of Human Resources*

Tony Gomillion  
*Director of Public Services*

Avis Whitfield  
*Director of Public Works*

Roger Blaylock  
*County Engineer*





## **FINANCIAL SECTION**



## REPORT OF INDEPENDENT AUDITORS

Honorable Board of County Commissioners  
Santa Rosa County, Florida

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, as of and for the year ended September 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Santa Rosa County, Florida's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Santa Rosa County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Santa Rosa County, Florida, as of September 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2009 on our consideration of Santa Rosa County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 12 through 18 and budgetary comparison information on pages 57 through 60 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Santa Rosa County, Florida's basic financial statements. The introductory section, combining individual fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*O'Sullivan Creel, LLP*

March 26, 2009

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Santa Rosa County, Florida**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**September 30, 2008**

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

**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*. 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.

The *Government-wide financial statements* are the **statement of net assets** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net assets of governmental activities and business-type activities and the change in net assets. 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 assets** presents information on all assets and liabilities of the County, with the difference between assets and liabilities reported as net assets. Net assets are reported in three categories: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Assets, liabilities, and net assets are reported for all Governmental Activities separate from the assets, liabilities and net assets of Business-type Activities.

The **statement of activities** presents information on all revenues and expenses of the County and the change in net assets. 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* 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 and liabilities 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 assets**; a **statement of revenues, expenses, and changes in fund**

**Santa Rosa County, Florida**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**September 30, 2008**

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**net assets**; 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 assets**. 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* 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*.

## **ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

### **Government-Wide Financial Analysis**

Net assets may serve over time as a useful indicator of government's financial position. In the case of the County, assets exceeded liabilities by \$180 million as of September 30, 2008.

The largest portion of the County's net assets (80%) 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 positive balances in all three categories of net assets for the County as a whole, as well as for its governmental activities. The business-type activities ended the year with a deficit unrestricted net asset balance due mainly to increased capital investment and related debt in the landfills and the water and sewer systems to increase capacity.

There was an increase in net assets from governmental activities of \$10 million. This consisted of an increase of \$2.1 million to invested in capital assets net of related debt, an increase of \$8.2 million to unrestricted net assets and a decrease of \$300,000 to restricted net assets. The primary reason for this relatively small net increase was the decrease in both revenues and expenditures due to the downturn in the economy and the decrease in property tax revenues mandated by the State legislature. There was an increase in net assets from business-type activities of \$300,000. This consisted of an increase of \$3.4 million to net assets invested in capital assets net of related debt, a decrease of \$3.3 million in unrestricted net assets and an increase of \$246,000 to restricted net

**Santa Rosa County, Florida**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**September 30, 2008**

assets. The primary reason for this net increase was the increased expenditure in capital assets and debt related to those assets. In addition, while revenues were down, expenditures for completing repairs to the wastewater facilities damaged in prior years by hurricanes were up.

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

|   | <b>Governmental<br/>Activities</b> |                    | <b>Business-type<br/>Activities</b> |                    | <b>Total</b>       |                    |
|---|------------------------------------|--------------------|-------------------------------------|--------------------|--------------------|--------------------|
|   | <b><u>2008</u></b>                 | <b><u>2007</u></b> | <b><u>2008</u></b>                  | <b><u>2007</u></b> | <b><u>2008</u></b> | <b><u>2007</u></b> |
| Current and other assets                        | \$ 64,181                          | \$ 58,075          | \$ 9,862                            | \$ 12,165          | \$ 74,043          | \$ 70,240          |
| Capital assets                                  | <u>135,470</u>                     | <u>133,550</u>     | <u>19,746</u>                       | <u>16,666</u>      | <u>155,216</u>     | <u>150,216</u>     |
| Total assets                                    | 199,651                            | 191,625            | 29,608                              | 28,831             | 229,259            | 220,456            |
| Long-term liabilities outstanding               | 24,589                             | 22,728             | 17,246                              | 17,119             | 41,835             | 39,847             |
| Other liabilities                               | <u>6,477</u>                       | <u>10,309</u>      | <u>551</u>                          | <u>207</u>         | <u>7,028</u>       | <u>10,516</u>      |
| Total liabilities                               | <u>31,066</u>                      | <u>33,037</u>      | <u>17,797</u>                       | <u>17,326</u>      | <u>48,863</u>      | <u>50,363</u>      |
| Net Assets:                                     |                                    |                    |                                     |                    |                    |                    |
| Invested in capital assets, net of related debt | 133,388                            | 131,253            | 11,705                              | 8,299              | 145,093            | 139,552            |
| Restricted                                      | 12,599                             | 12,900             | 3,355                               | 3,109              | 15,954             | 16,009             |
| Unrestricted                                    | <u>22,598</u>                      | <u>14,435</u>      | <u>(3,249)</u>                      | <u>97</u>          | <u>19,349</u>      | <u>14,532</u>      |
| Total net assets                                | <u>\$ 168,585</u>                  | <u>\$ 158,588</u>  | <u>\$ 11,811</u>                    | <u>\$ 11,505</u>   | <u>\$ 180,396</u>  | <u>\$ 170,093</u>  |

**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. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The County's governmental funds reported combined ending fund balances of \$53 million (74% is unreserved), an increase of \$9 million from last year. The bulk of the increase was from the cost cutting measures enacted in anticipation of reduced tax revenues due to state mandated property tax rate reductions.

**Santa Rosa County, Florida**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**September 30, 2008**

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

|                                  | <b>Governmental</b> |                   | <b>Business-type</b> |                  | <b>Total</b>      |                   |
|----------------------------------|---------------------|-------------------|----------------------|------------------|-------------------|-------------------|
|                                  | <b>Activities</b>   |                   | <b>Activities</b>    |                  |                   |                   |
|                                  | <b>2008</b>         | <b>2007</b>       | <b>2008</b>          | <b>2007</b>      | <b>2008</b>       | <b>2007</b>       |
| <b>Revenues:</b>                 |                     |                   |                      |                  |                   |                   |
| Program revenues                 |                     |                   |                      |                  |                   |                   |
| Charges for services             | \$ 23,736           | \$ 30,148         | \$ 6,030             | \$ 6,055         | \$ 29,766         | \$ 36,203         |
| Operating grants & contributions | 15,698              | 25,140            | -                    | -                | 15,698            | 25,140            |
| Capital grants & contributions   | 3,858               | 667               | 965                  | 406              | 4,823             | 1,073             |
| <b>General revenues:</b>         |                     |                   |                      |                  |                   |                   |
| Property tax                     | 54,443              | 56,309            | -                    | -                | 54,443            | 56,309            |
| Sales, use and fuel tax          | 4,721               | 4,917             | -                    | -                | 4,721             | 4,917             |
| Franchise fees                   | 5,224               | 5,111             | -                    | -                | 5,224             | 5,111             |
| Communication services           | 1,418               | 1,274             | -                    | -                | 1,418             | 1,274             |
| Grants & contributions           | 12,562              | 12,675            | -                    | -                | 12,562            | 12,675            |
| Investment earnings              | 2,028               | 3,517             | 277                  | 439              | 2,305             | 3,956             |
| Other                            | 987                 | 1,870             | 310                  | 340              | 1,297             | 2,210             |
| Total revenues                   | <u>124,675</u>      | <u>141,628</u>    | <u>7,582</u>         | <u>7,240</u>     | <u>132,257</u>    | <u>148,868</u>    |
| <b>Expenses:</b>                 |                     |                   |                      |                  |                   |                   |
| General government               | 33,628              | 34,196            | -                    | -                | 33,628            | 34,196            |
| Public safety                    | 46,286              | 48,885            | -                    | -                | 46,286            | 48,885            |
| Physical environment             | 2,963               | 6,989             | -                    | -                | 2,963             | 6,989             |
| Transportation                   | 19,776              | 16,514            | -                    | -                | 19,776            | 16,514            |
| Economic environment             | 5,018               | 9,328             | -                    | -                | 5,018             | 9,328             |
| Human services                   | 4,209               | 4,522             | -                    | -                | 4,209             | 4,522             |
| Culture and recreation           | 2,281               | 3,291             | -                    | -                | 2,281             | 3,291             |
| Interest on long-term debt       | 517                 | 447               | -                    | -                | 517               | 447               |
| Water and sewer                  | -                   | -                 | 2,731                | 1,865            | 2,731             | 1,865             |
| Airport                          | -                   | -                 | 340                  | 226              | 340               | 226               |
| Landfill                         | -                   | -                 | 4,047                | 3,767            | 4,047             | 3,767             |
| Total expenses                   | <u>114,678</u>      | <u>124,172</u>    | <u>7,118</u>         | <u>5,858</u>     | <u>121,796</u>    | <u>130,030</u>    |
| <b>Increase in net assets</b>    |                     |                   |                      |                  |                   |                   |
| before transfers                 | 9,997               | 17,456            | 464                  | 1,382            | 10,461            | 18,838            |
| Transfers                        | -                   | -                 | (158)                | -                | (158)             | -                 |
| Change in net assets             | 9,997               | 17,456            | 306                  | 1,382            | 10,303            | 18,838            |
| Net assets, beg. of year         | 158,588             | 88,909            | 11,505               | 10,123           | 170,093           | 99,032            |
| Prior period adjustment          | -                   | 52,223            | -                    | -                | -                 | 52,223            |
| Net assets,                      |                     |                   |                      |                  |                   |                   |
| beg. of year, restated           | <u>158,588</u>      | <u>141,132</u>    | <u>11,505</u>        | <u>10,123</u>    | <u>170,093</u>    | <u>151,255</u>    |
| Net assets, end of year          | <u>\$ 168,585</u>   | <u>\$ 158,588</u> | <u>\$ 11,811</u>     | <u>\$ 11,505</u> | <u>\$ 180,396</u> | <u>\$ 170,093</u> |

**Santa Rosa County, Florida**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**September 30, 2008**

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The General fund is the primary operating fund of the County. Revenues exceeded expenditures by \$4.5 million.

The Road and Bridge fund accounts for fuel and other taxes designated for road improvements. During the year expenditures exceeded revenues by \$40,000. Planned operating transfers restored the deficit.

The Electricity Franchise Fee fund is use to finance many projects. Transfers of \$3.4 million from this fund were made to the Road and Bridge fund and all the District Capital Improvement funds.

The Disaster fund is used to track the revenues and expenditures relating to the hurricane recovery efforts for the County funded by Federal and State grants. The deficit generated by hurricanes in prior years continues to be slowly erased.

**Financial Analysis of Proprietary Funds**

The Navarre Beach fund accounts for the operations of the Navarre Beach water and sewer system. Operating revenues are back to near normal levels following the 56% decrease in the prior years due to the destruction caused by Hurricanes Ivan, Dennis, Katrina and Rita. The fund issued \$6.5 million in debt in the prior year to fund a multi-year water and sewer system upgrade.

The Landfill fund is used to account for the solid waste disposal operations at the County landfills. The upgrade and expansion of the Central Landfill has been completed. While net assets have increased by \$472,000, the increased capital outlay required an increase to invested in capital assets, net of related debt of \$2 million.

**Budgetary Analysis**

The General fund budget was increased by \$500,000 from the original budget (an increase of 0.69%). There were no significant changes.

Actual expenditures were less than the final budgeted expenditures by \$4 million. The reason for this variance is that the Board did not spend 1) \$1.8 million of available reserves, 2) \$800,000 for the insurance 3) \$322,000 for building inspection, 4) \$288,000 in emergency management and 5) \$188,000 in juvenile circuit court.

**Santa Rosa County, Florida**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**September 30, 2008**

**CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY**

As of September 30, 2008 the County had \$155 million invested in a broad range of capital assets, including land, buildings, equipment, park facilities, roads and other infrastructure. (See table below.) This amount represents a net increase (including additions, discoveries and deductions) of \$5 million from last year.

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

|                                   | <b>Governmental</b> |                   | <b>Business-type</b> |                 | <b>Totals</b>     |                  |
|-----------------------------------|---------------------|-------------------|----------------------|-----------------|-------------------|------------------|
|                                   | <u>Activities</u>   |                   | <u>Activities</u>    |                 | <u>Totals</u>     |                  |
|                                   | <u>2008</u>         | <u>2007</u>       | <u>2008</u>          | <u>2007</u>     | <u>2008</u>       | <u>2007</u>      |
| Land                              | \$ 15,537           | \$ 13,938         | \$ 1,191             | \$ 1,191        | \$ 16,728         | \$ 15,129        |
| Construction in progress          | 7,401               | 9,029             | 477                  | 8,642           | 7,878             | 17,671           |
| Buildings                         | 30,501              | 27,754            | 1,720                | 594             | 32,221            | 28,348           |
| Improvements other than buildings | 68,185              | 67,521            | 13,947               | 3,761           | 82,132            | 71,282           |
| Machinery, furniture and equip.   | <u>13,847</u>       | <u>15,310</u>     | <u>2,411</u>         | <u>2,478</u>    | <u>16,258</u>     | <u>17,788</u>    |
| Totals                            | <u>\$ 135,471</u>   | <u>\$ 133,552</u> | <u>\$19,746</u>      | <u>\$16,666</u> | <u>\$ 155,217</u> | <u>\$150,218</u> |

This year's major additions included:

|                               |              |
|-------------------------------|--------------|
| Landfill expansion            | \$ 1,859,525 |
| Land around Whiting Field     | \$ 1,580,241 |
| Hangers at Peter Prince Field | \$ 1,108,000 |
| Equipment for Sheriff         | \$ 936,892   |
| Water reclamation project     | \$ 865,638   |
| Five Points Intersection      | \$ 772,564   |
| Lift station                  | \$ 237,075   |
| Navarre Visitor Center        | \$ 196,253   |

**Outstanding Debt at Year-end**  
**(in Thousands)**

|                          | <b>Governmental</b> |                 | <b>Business-type</b> |                 | <b>Totals</b>    |                  |
|--------------------------|---------------------|-----------------|----------------------|-----------------|------------------|------------------|
|                          | <u>Activities</u>   |                 | <u>Activities</u>    |                 | <u>Totals</u>    |                  |
|                          | <u>2008</u>         | <u>2007</u>     | <u>2008</u>          | <u>2007</u>     | <u>2008</u>      | <u>2007</u>      |
| Revenue bonds            | \$ 2,082            | \$ 2,297        | \$ 2,083             | \$ 2,298        | \$ 4,165         | \$ 4,595         |
| Notes payable            | 3,172               | 3,767           | 6,042                | 6,165           | 9,214            | 9,932            |
| Special assessment notes | <u>7,527</u>        | <u>5,693</u>    | <u>-</u>             | <u>-</u>        | <u>7,527</u>     | <u>5,693</u>     |
| Totals                   | <u>\$ 12,781</u>    | <u>\$11,757</u> | <u>\$ 8,125</u>      | <u>\$ 8,463</u> | <u>\$ 20,906</u> | <u>\$ 20,220</u> |

**Santa Rosa County, Florida**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**September 30, 2008**

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Six (6) special assessment notes were issued this year. Five were for MSBU subdivisions for paving or canal maintenance. The other was to provide equipment for the volunteer fire departments. A revenue note payable for the Peter Prince Airport improvement project was also issued. 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**

Given the current economy and the state mandated rollback of property taxes, the County is looking for ways to reduce costs. One of those ways under current investigation is the combining of Board, Property Appraiser and Sheriff GIS services. In addition, the County is looking at combining Emergency Management and Sheriff dispatch operations.

## **BASIC FINANCIAL STATEMENTS**

**Santa Rosa County, Florida**

**STATEMENT OF NET ASSETS**

**September 30, 2008**

| ASSETS  | Governmental<br>Activities | Business-type<br>Activities | Total          |
|---|----------------------------|-----------------------------|----------------|
| Cash and cash equivalents                       | \$ 31,554,712              | \$ 3,841,635                | \$ 35,396,347  |
| Investments                                     | 25,805,088                 | 4,176,864                   | 29,981,952     |
| Receivables, net                                | 6,316,975                  | 1,874,071                   | 8,191,046      |
| Internal balances                               | 65,000                     | (65,000)                    | --             |
| Inventory                                       | 381,399                    | --                          | 381,399        |
| Deferred charges                                | 56,936                     | 34,848                      | 91,784         |
| Capital assets, net                             |                            |                             |                |
| Nondepreciable                                  | 22,938,367                 | 1,667,979                   | 24,606,346     |
| Depreciable                                     | 112,532,299                | 18,078,233                  | 130,610,532    |
| Total assets                                    | 199,650,776                | 29,608,630                  | 229,259,406    |
| <b>LIABILITIES</b>                              |                            |                             |                |
| Accounts payable                                | 3,711,811                  | 383,228                     | 4,095,039      |
| Contracts payable                               | 71,040                     | 26,300                      | 97,340         |
| Accrued wages payable                           | 1,578,428                  | 63,881                      | 1,642,309      |
| Interest payable                                | 57,307                     | 16,532                      | 73,839         |
| Due to other governments                        | 3,345                      | 697                         | 4,042          |
| Deposits  | 347,015                    | 60,411                      | 407,426        |
| Unearned revenue                                | 708,061                    | --                          | 708,061        |
| Noncurrent liabilities                          |                            |                             |                |
| Due within one year                             | 8,633,737                  | 950,272                     | 9,584,009      |
| Due in more than one year                       | 15,955,534                 | 16,295,993                  | 32,251,527     |
| Total liabilities                               | 31,066,278                 | 17,797,314                  | 48,863,592     |
| <b>NET ASSETS</b>                               |                            |                             |                |
| Invested in capital assets, net of related debt | 133,388,166                | 11,705,307                  | 145,093,473    |
| Restricted for:                                 |                            |                             |                |
| Debt service                                    | 7,002                      | 52,727                      | 59,729         |
| Landfill closure                                | --                         | 3,302,553                   | 3,302,553      |
| Communications                                  | 988,351                    | --                          | 988,351        |
| Animal services education                       | 42,012                     | --                          | 42,012         |
| Boating improvement                             | 427,070                    | --                          | 427,070        |
| Gas and Oil preservation                        | 3,551,667                  | --                          | 3,551,667      |
| Law enforcement trust fund                      | 68,337                     | --                          | 68,337         |
| Crime prevention                                | 226,219                    | --                          | 226,219        |
| Domestic violence                               | 66,894                     | --                          | 66,894         |
| Law library                                     | 28,053                     | --                          | 28,053         |
| Law enforcement training                        | 87,284                     | --                          | 87,284         |
| Court innovation                                | 68,741                     | --                          | 68,741         |
| Tourist development                             | 2,003,821                  | --                          | 2,003,821      |
| Records modernization                           | 568,601                    | --                          | 568,601        |
| Court technology                                | 293,897                    | --                          | 293,897        |
| Navarre Beach Bridge maintenance                | 4,170,811                  | --                          | 4,170,811      |
| Unrestricted                                    | 22,597,572                 | (3,249,271)                 | 19,348,301     |
| Total net assets                                | \$ 168,584,498             | \$ 11,811,316               | \$ 180,395,814 |

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

**Santa Rosa County, Florida**

**STATEMENT OF ACTIVITIES**

**Year ended September 30, 2008**

| 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           |
| <b>Governmental activities:</b>                              |                  |                      |                                    |                                  |   |                          |                 |
| General government   | \$ 33,627,656    | \$ 15,416,507        | \$ 406,735                         | \$ --                            | \$ (17,804,414)                                 |                          | \$ (17,804,414) |
| Public safety  | 46,286,380       | 6,471,548            | 1,170,360                          | 1,307,389                        | (37,337,083)                                    |                          | (37,337,083)    |
| Physical environment   | 2,963,362        | 1,037,211            | 921,678                            | 9,456                            | (995,017)                                       |                          | (995,017)       |
| Transportation   | 19,775,619       | 730,496              | 3,587,329                          | 2,541,312                        | (12,916,482)                                    |                          | (12,916,482)    |
| Economic environment   | 5,018,423        | --                   | 7,596,079                          | --                               | 2,577,656                                       |                          | 2,577,656       |
| Human services   | 4,209,362        | 42,266               | 1,212,820                          | --                               | (2,954,276)                                     |                          | (2,954,276)     |
| Culture and recreation                                       | 2,281,334        | 37,548               | 802,587                            | --                               | (1,441,199)                                     |                          | (1,441,199)     |
| Interest on long-term debt                                   | 516,752          | --                   | --                                 | --                               | (516,752)                                       |                          | (516,752)       |
| Total governmental activities                                | 114,678,888      | 23,735,576           | 15,697,588                         | 3,858,157                        | (71,387,567)                                    |                          | (71,387,567)    |
| <b>Business-type activities:</b>                             |                  |                      |                                    |                                  |   |                          |                 |
| Navarre Beach water and sewer                                | 2,731,219        | 1,846,469            | --                                 | 197,250                          |   | \$ (687,500)             | (687,500)       |
| Peter Prince Airport   | 339,894          | 134,995              | --                                 | 767,900                          |   | 563,001                  | 563,001         |
| Landfill   | 4,046,622        | 4,048,874            | --                                 | --                               |   | 2,252                    | 2,252           |
| Total business-type activities                               | 7,117,735        | 6,030,338            | --                                 | 965,150                          |   | (122,247)                | (122,247)       |
| <b>Total</b>   | 121,796,623      | 29,765,914           | 15,697,588                         | 4,823,307                        | (71,387,567)                                    | (122,247)                | (71,509,814)    |
| <b>General revenues:</b>                                     |                  |                      |                                    |                                  |   |                          |                 |
| Taxes  |                  |                      |                                    |                                  |   |                          |                 |
| Property taxes   |                  |                      |                                    |                                  | 54,443,406                                      | --                       | 54,443,406      |
| Sales, use and fuel taxes                                    |                  |                      |                                    |                                  | 4,720,820                                       | --                       | 4,720,820       |
| Franchise fees   |                  |                      |                                    |                                  | 5,224,408                                       | --                       | 5,224,408       |
| Communication services taxes                                 |                  |                      |                                    |                                  | 1,418,106                                       | --                       | 1,418,106       |
| Grants and contributions not restricted to specific programs |                  |                      |                                    |                                  | 12,562,005                                      | --                       | 12,562,005      |
| Unrestricted investment earnings                             |                  |                      |                                    |                                  | 2,028,081                                       | 276,965                  | 2,305,046       |
| Miscellaneous  |                  |                      |                                    |                                  | 747,062   | 22,409                   | 769,471         |
| Gain on sale of assets                                       |                  |                      |                                    |                                  | 240,354   | 287,053                  | 527,407         |
| Transfers  |                  |                      |                                    |                                  | --  | (157,714)                | (157,714)       |
| Total general revenues and transfers                         |                  |                      |                                    |                                  | 81,384,242                                      | 428,713                  | 81,812,955      |
| Change in net assets   |                  |                      |                                    |                                  | 9,996,675                                       | 306,466                  | 10,303,141      |
| Net assets - beginning                                       |                  |                      |                                    |                                  | 158,587,823                                     | 11,504,850               | 170,092,673     |
| Net assets - ending  |                  |                      |                                    |                                  | \$ 168,584,498                                  | \$ 11,811,316            | \$ 180,395,814  |

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

Santa Rosa County, Florida

BALANCE SHEET  
GOVERNMENTAL FUNDS

September 30, 2008

| ASSETS                              | General              | Road and<br>Bridge   | Electricity<br>Franchise Fee | Disaster           | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|-------------------------------------|----------------------|----------------------|------------------------------|--------------------|--------------------------------|--------------------------------|
| Cash and cash equivalents           | \$ 4,798,308         | \$ 3,591,043         | \$ 4,343,029                 | \$ 325,458         | \$ 16,545,702                  | \$ 29,603,540                  |
| Investments                         | 8,913,315            | 5,151,075            | --                           | --                 | 8,429,467                      | 22,493,857                     |
| Receivables, net of uncollectibles  |                      |                      |                              |                    |                                |                                |
| Accounts                            | 89,152               | 62,665               | 480,107                      | --                 | 159,937                        | 791,861                        |
| Leases - current                    | 511,197              | --                   | --                           | --                 | --                             | 511,197                        |
| Leases - noncurrent                 | 9,906                | --                   | --                           | --                 | --                             | 9,906                          |
| Due from other governments          | 1,172,469            | 1,266,206            | --                           | 470,763            | 2,067,273                      | 4,976,711                      |
| Due from other funds                | 1,261,411            | 406,890              | 3,800,000                    | --                 | 163,046                        | 5,631,347                      |
| Advances to other funds             | --                   | 76,997               | --                           | --                 | --                             | 76,997                         |
| Inventory                           | 101,522              | 279,877              | --                           | --                 | --                             | 381,399                        |
| Prepaid assets                      | --                   | --                   | --                           | --                 | 56,936                         | 56,936                         |
| Total assets                        | <u>\$ 16,857,280</u> | <u>\$ 10,834,753</u> | <u>\$ 8,623,136</u>          | <u>\$ 796,221</u>  | <u>\$ 27,422,361</u>           | <u>\$ 64,533,751</u>           |
| LIABILITIES                         |                      |                      |                              |                    |                                |                                |
| Accounts payable                    | \$ 1,219,935         | \$ 497,148           | \$ 68                        | \$ --              | \$ 1,248,981                   | \$ 2,966,132                   |
| Contracts payable                   | --                   | --                   | --                           | --                 | 71,040                         | 71,040                         |
| Deferred credits                    | 49,015               | --                   | --                           | --                 | --                             | 49,015                         |
| Accrued wages payable               | 1,291,634            | 188,633              | --                           | --                 | 90,847                         | 1,571,114                      |
| Deposits                            | 347,015              | --                   | --                           | --                 | --                             | 347,015                        |
| Unearned revenue                    | 136,697              | --                   | --                           | --                 | 522,349                        | 659,046                        |
| Due to other funds                  | 160,937              | --                   | --                           | 3,800,000          | 1,605,410                      | 5,566,347                      |
| Due to other governments            | --                   | --                   | --                           | --                 | 3,345                          | 3,345                          |
| Advance payable to other funds      | --                   | --                   | --                           | --                 | 76,997                         | 76,997                         |
| Total liabilities                   | <u>3,205,233</u>     | <u>685,781</u>       | <u>68</u>                    | <u>3,800,000</u>   | <u>3,618,969</u>               | <u>11,310,051</u>              |
| FUND BALANCES                       |                      |                      |                              |                    |                                |                                |
| Fund balances                       |                      |                      |                              |                    |                                |                                |
| Reserved                            | 1,588,445            | 4,527,685            | --                           | --                 | 7,682,828                      | 13,798,958                     |
| Unreserved, reported in:            |                      |                      |                              |                    |                                |                                |
| General fund                        | 12,063,602           | --                   | --                           | --                 | --                             | 12,063,602                     |
| Special revenue funds               | --                   | 5,621,287            | 8,623,068                    | (3,003,779)        | 11,757,531                     | 22,998,107                     |
| Debt service fund                   | --                   | --                   | --                           | --                 | 93,726                         | 93,726                         |
| Capital project funds               | --                   | --                   | --                           | --                 | 4,137,869                      | 4,137,869                      |
| Permanent fund                      | --                   | --                   | --                           | --                 | 131,438                        | 131,438                        |
| Total fund balances                 | <u>13,652,047</u>    | <u>10,148,972</u>    | <u>8,623,068</u>             | <u>(3,003,779)</u> | <u>23,803,392</u>              | <u>53,223,700</u>              |
| Total liabilities and fund balances | <u>\$ 16,857,280</u> | <u>\$ 10,834,753</u> | <u>\$ 8,623,136</u>          | <u>\$ 796,221</u>  | <u>\$ 27,422,361</u>           | <u>\$ 64,533,751</u>           |

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 ASSETS**

**September 30, 2008**

**Total Governmental Funds Balances** \$ 53,223,700

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

Capital assets used in governmental activities are not  
financial resources and therefore are not reported  
in the funds:

|   |              |
|---|--------------|
| Prior periods investment in capital assets                                    | 207,234,681  |
| Less accumulated depreciation   | (73,693,233) |
| Current period transfers of capital assets to governmental from business type | 157,714      |
| Current period investment in capital assets                                   | 10,626,866   |
| Current period depreciation   | (8,402,858)  |
| Current period loss on disposal of capital assets                             | (459,960)    |

Long term liabilities are not due and payable in the current  
period and therefore are not reported in the funds:

|   |             |
|---|-------------|
| Revenue bonds                                   | (2,297,500) |
| Notes payable                                   | (3,766,521) |
| Compensated absences                            | (8,224,836) |
| Special assessment notes payable                | (5,693,011) |
| Interest payable                                | (57,307)    |
| Current period revenue bond payments            | 215,000     |
| Current period note payments                    | 594,651     |
| Current period change in compensated absences   | (46,210)    |
| Current period special assessment note payments | 1,178,459   |
| Current period debt proceeds                    | (3,012,232) |

Internal service funds are used by management to charge the  
costs of providing insurance coverage and therefore, the  
assets and liabilities of the internal service fund are included  
in governmental activities in the Statement of Net Assets.

|             |             |
|-------------|-------------|
| Assets      | 5,297,159   |
| Liabilities | (4,290,064) |

**Net Assets of Governmental Activities** \$ 168,584,498

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, 2008

|  | General              | Road and<br>Bridge   | Electricity<br>Franchise Fee | Disaster              | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|----------------------|------------------------------|-----------------------|--------------------------------|--------------------------------|
| <b>Revenues</b>                                      |                      |                      |                              |                       |                                |                                |
| Taxes  | \$ 50,850,673        | \$ 8,603,335         | \$ 5,224,408                 | \$ --                 | \$ 1,128,324                   | \$ 65,806,740                  |
| Licenses and permits                                 | 1,630,515            | --                   | --                           | --                    | --                             | 1,630,515                      |
| Intergovernmental                                    | 10,788,817           | 5,765,426            | --                           | 1,374,500             | 11,945,796                     | 29,874,539                     |
| Charges for services                                 | 6,833,492            | 229,350              | --                           | --                    | 4,451,240                      | 11,514,082                     |
| Fines and forfeits                                   | 274,498              | --                   | --                           | --                    | 965,946                        | 1,240,444                      |
| Miscellaneous  | 2,298,067            | 493,006              | 60,589                       | 5,453                 | 8,625,369                      | 11,482,484                     |
| Total revenues                                       | <u>72,676,062</u>    | <u>15,091,117</u>    | <u>5,284,997</u>             | <u>1,379,953</u>      | <u>27,116,675</u>              | <u>121,548,804</u>             |
| <b>Expenditures</b>                                  |                      |                      |                              |                       |                                |                                |
| <b>Current</b>                                       |                      |                      |                              |                       |                                |                                |
| General government                                   | 22,256,282           | --                   | --                           | --                    | 5,554,059                      | 27,810,341                     |
| Public safety  | 36,728,799           | --                   | --                           | 273,024               | 8,964,819                      | 45,966,642                     |
| Physical environment                                 | 1,100,067            | 30,000               | --                           | --                    | 1,246,770                      | 2,376,837                      |
| Transportation                                       | 1,157,456            | 15,100,969           | --                           | --                    | 3,982,095                      | 20,240,520                     |
| Economic environment                                 | 134,602              | --                   | 125,000                      | --                    | 6,171,741                      | 6,431,343                      |
| Human services                                       | 3,892,722            | --                   | --                           | --                    | 220,094                        | 4,112,816                      |
| Culture and recreation                               | 2,881,695            | --                   | --                           | --                    | 61,462                         | 2,943,157                      |
| Capital outlay                                       | --                   | --                   | --                           | --                    | 3,160,826                      | 3,160,826                      |
| Debt service   | --                   | --                   | --                           | --                    | 2,504,473                      | 2,504,473                      |
| Total expenditures                                   | <u>68,151,623</u>    | <u>15,130,969</u>    | <u>125,000</u>               | <u>273,024</u>        | <u>31,866,339</u>              | <u>115,546,955</u>             |
| Excess (deficiency) of revenues<br>over expenditures | 4,524,439            | (39,852)             | 5,159,997                    | 1,106,929             | (4,749,664)                    | 6,001,849                      |
| <b>Other financing sources (uses)</b>                |                      |                      |                              |                       |                                |                                |
| Transfers in   | 590,692              | 1,281,291            | --                           | --                    | 4,954,910                      | 6,826,893                      |
| Transfers out  | (534,717)            | --                   | (3,392,541)                  | --                    | (2,899,635)                    | (6,826,893)                    |
| New debt issuance                                    | --                   | --                   | --                           | --                    | 3,012,232                      | 3,012,232                      |
| Total other financing sources (uses)                 | <u>55,975</u>        | <u>1,281,291</u>     | <u>(3,392,541)</u>           | <u>--</u>             | <u>5,067,507</u>               | <u>3,012,232</u>               |
| Net change in fund balances                          | 4,580,414            | 1,241,439            | 1,767,456                    | 1,106,929             | 317,843                        | 9,014,081                      |
| Fund balances, beginning of year                     | 9,068,609            | 8,830,909            | 6,855,612                    | (4,110,708)           | 23,485,549                     | 44,129,971                     |
| Change in reserve for inventory                      | 3,024                | 76,624               | --                           | --                    | --                             | 79,648                         |
| Fund balances, end of year                           | <u>\$ 13,652,047</u> | <u>\$ 10,148,972</u> | <u>\$ 8,623,068</u>          | <u>\$ (3,003,779)</u> | <u>\$ 23,803,392</u>           | <u>\$ 53,223,700</u>           |

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, 2008**

**Net Change in Fund Balances - Total Governmental Funds** \$ 9,014,081

*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  
those amounts are:

|  |             |
|--|-------------|
| Current period investment in capital assets                                  | 10,626,866  |
| Current period transfers of capital asset to governmental from business type | 157,714     |
| Current period depreciation  | (8,402,858) |
| Current period loss on disposal of capital assets                            | (459,960)   |

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 | (389) |
|----------------------------|-------|

Repayment of debt principal is an expenditure in the governmental funds, but  
the repayment reduces long-term liabilities in the statement of net assets.

|   |             |
|---|-------------|
| Current period change in compensated absences   | (46,210)    |
| Current period note payments                    | 594,651     |
| Current period revenue bond payments            | 215,000     |
| Current period special assessment note payments | 1,178,459   |
| Current period debt proceeds                    | (3,012,232) |

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.

51,905

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 | <u>79,648</u> |
|---------------------------------|---------------|

**Change in Net Assets of Governmental Activities** \$ 9,996,675

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

**Santa Rosa County, Florida**

**STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS**

**September 30, 2008**

|   | Business-type Activities |                      |                          |                              | Governmental                |
|---|--------------------------|----------------------|--------------------------|------------------------------|-----------------------------|
|   | Major Funds              |                      | Non-Major Fund           |                              | Activities                  |
|   | Navarre<br>Beach         | Landfill             | Peter<br>Prince<br>Field | Total<br>Enterprise<br>Funds | Internal<br>Service<br>Fund |
| <b>ASSETS</b>                                   |                          |                      |                          |                              |                             |
| Current assets:                                 |                          |                      |                          |                              |                             |
| Cash and cash equivalents                       | \$ 1,108,956             | \$ 2,720,305         | \$ 12,374                | \$ 3,841,635                 | \$ 1,951,172                |
| Investments                                     | 799,595                  | 21,989               | --                       | 821,584                      | 3,311,231                   |
| Accounts receivable                             | 229,676                  | 526,817              | 4,928                    | 761,421                      | 25,400                      |
| Due from other governments                      | 197,250                  | --                   | 915,400                  | 1,112,650                    | 1,900                       |
| Due from other funds                            | --                       | 300,000              | --                       | 300,000                      | --                          |
| Total current assets                            | <u>2,335,477</u>         | <u>3,569,111</u>     | <u>932,702</u>           | <u>6,837,290</u>             | <u>5,289,703</u>            |
| Noncurrent assets                               |                          |                      |                          |                              |                             |
| Restricted investments                          | --                       | 3,355,280            | --                       | 3,355,280                    | --                          |
| Deferred charges                                | --                       | 34,848               | --                       | 34,848                       | --                          |
| Capital assets, net of accumulated depreciation | 9,418,376                | 6,648,786            | 3,679,050                | 19,746,212                   | 7,456                       |
| Total noncurrent assets                         | <u>9,418,376</u>         | <u>10,038,914</u>    | <u>3,679,050</u>         | <u>23,136,340</u>            | <u>7,456</u>                |
| Total assets                                    | <u>\$ 11,753,853</u>     | <u>\$ 13,608,025</u> | <u>\$ 4,611,752</u>      | <u>\$ 29,973,630</u>         | <u>\$ 5,297,159</u>         |
| <b>LIABILITIES</b>                              |                          |                      |                          |                              |                             |
| Current liabilities                             |                          |                      |                          |                              |                             |
| Accounts payable                                | \$ 259,793               | \$ 121,469           | \$ 1,966                 | \$ 383,228                   | \$ 745,679                  |
| Contracts payable                               | 26,300                   | --                   | --                       | 26,300                       | --                          |
| Current portion of claims payable               | --                       | --                   | --                       | --                           | 2,563,582                   |
| Accrued wages payable                           | 16,442                   | 47,439               | --                       | 63,881                       | 7,314                       |
| Due to other governments                        | --                       | --                   | 697                      | 697                          | --                          |
| Due to other funds                              | --                       | --                   | 365,000                  | 365,000                      | --                          |
| Compensated absences - current portion          | 30,000                   | 120,000              | --                       | 150,000                      | --                          |
| Revenue bonds - current                         | --                       | 220,000              | --                       | 220,000                      | --                          |
| Note payable - current                          | 354,351                  | --                   | 19,225                   | 373,576                      | --                          |
| Accrued interest                                | --                       | 15,711               | 821                      | 16,532                       | --                          |
| Deposits  | 8,420                    | 51,991               | --                       | 60,411                       | --                          |
| Current portion of landfill closure costs       | --                       | 206,696              | --                       | 206,696                      | --                          |
| Total current liabilities                       | <u>695,306</u>           | <u>783,306</u>       | <u>387,709</u>           | <u>1,866,321</u>             | <u>3,316,575</u>            |
| Noncurrent liabilities                          |                          |                      |                          |                              |                             |
| Long term portion of compensated absences       | 75,189                   | 207,665              | --                       | 282,854                      | 109,809                     |
| Long term portion of claims payable             | --                       | --                   | --                       | --                           | 863,680                     |
| Long term portion of landfill closure costs     | --                       | 8,565,810            | --                       | 8,565,810                    | --                          |
| Revenue bonds payable - net of discount         | --                       | 1,778,478            | --                       | 1,778,478                    | --                          |
| Note payable - noncurrent                       | 5,469,623                | --                   | 199,228                  | 5,668,851                    | --                          |
| Total noncurrent liabilities                    | <u>5,544,812</u>         | <u>10,551,953</u>    | <u>199,228</u>           | <u>16,295,993</u>            | <u>973,489</u>              |
| Total liabilities                               | <u>6,240,118</u>         | <u>11,335,259</u>    | <u>586,937</u>           | <u>18,162,314</u>            | <u>4,290,064</u>            |
| <b>NET ASSETS</b>                               |                          |                      |                          |                              |                             |
| Invested in capital assets, net of related debt | 3,594,402                | 4,650,308            | 3,460,597                | 11,705,307                   | 7,456                       |
| Restricted for debt service                     | --                       | 52,727               | --                       | 52,727                       | --                          |
| Restricted for landfill closure                 | --                       | 3,302,553            | --                       | 3,302,553                    | --                          |
| Unrestricted                                    | 1,919,333                | (5,732,822)          | 564,218                  | (3,249,271)                  | 999,639                     |
| Total net assets                                | <u>5,513,735</u>         | <u>2,272,766</u>     | <u>4,024,815</u>         | <u>11,811,316</u>            | <u>1,007,095</u>            |
| Total liabilities and net assets                | <u>\$ 11,753,853</u>     | <u>\$ 13,608,025</u> | <u>\$ 4,611,752</u>      | <u>\$ 29,973,630</u>         | <u>\$ 5,297,159</u>         |

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

**Santa Rosa County, Florida**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET ASSETS - PROPRIETARY FUNDS**  
**Year ended September 30, 2008**

|   | Business-type Activities |                     |                          |                              | Governmental                |
|---|--------------------------|---------------------|--------------------------|------------------------------|-----------------------------|
|   | Major Funds              |                     | Nonmajor Fund            |                              | Activities                  |
|   | Navarre<br>Beach         | Landfill            | Peter<br>Prince<br>Field | Total<br>Enterprise<br>Funds | Internal<br>Service<br>Fund |
| Operating revenues                      |                          |                     |                          |                              |                             |
| Licenses and permits                    | \$ --                    | \$ 1,700            | \$ --                    | \$ 1,700                     | \$ --                       |
| Charges for services                    | 1,846,469                | 4,047,174           | 134,995                  | 6,028,638                    | 2,989,554                   |
| Insurance proceeds                      | --                       | --                  | --                       | --                           | 990,677                     |
| Miscellaneous                           | 22,227                   | 25                  | 157                      | 22,409                       | 98                          |
| Total operating revenues                | <u>1,868,696</u>         | <u>4,048,899</u>    | <u>135,152</u>           | <u>6,052,747</u>             | <u>3,980,329</u>            |
| Operating expenses                      |                          |                     |                          |                              |                             |
| Personal services                       | 531,608                  | 1,615,264           | --                       | 2,146,872                    | 266,900                     |
| Contract services                       | 66,694                   | 298,050             | 3,057                    | 367,801                      | 62,319                      |
| Supplies                                | 134,308                  | 51,073              | 977                      | 186,358                      | 15,748                      |
| Repairs and maintenance                 | 901,908                  | 329,783             | 16,488                   | 1,248,179                    | 1,625                       |
| Utilities                               | 300,090                  | 82,001              | 11,497                   | 393,588                      | --                          |
| Depreciation                            | 356,563                  | 502,860             | 285,284                  | 1,144,707                    | 1,438                       |
| Travel and per diem                     | 109                      | 22,173              | --                       | 22,282                       | --                          |
| Insurance                               | 9,480                    | 17,480              | --                       | 26,960                       | 1,075,781                   |
| Communications                          | 7,097                    | 13,129              | 609                      | 20,835                       | 1,414                       |
| Advertising                             | 2,031                    | 6,623               | --                       | 8,654                        | --                          |
| Fuel and oil                            | 21,709                   | 417,295             | --                       | 439,004                      | --                          |
| Rentals                                 | --                       | 130                 | --                       | 130                          | --                          |
| Landfill closure and maintenance        | --                       | 433,057             | --                       | 433,057                      | --                          |
| Claims                                  | --                       | --                  | --                       | --                           | 2,537,485                   |
| State assessment                        | --                       | --                  | --                       | --                           | 92,122                      |
| Miscellaneous                           | 163,514                  | 97,155              | --                       | 260,669                      | 10,699                      |
| Total operating expenses                | <u>2,495,111</u>         | <u>3,886,073</u>    | <u>317,912</u>           | <u>6,699,096</u>             | <u>4,065,531</u>            |
| Operating income (loss)                 | (626,415)                | 162,826             | (182,760)                | (646,349)                    | (85,202)                    |
| Non-operating revenues (expenses)       |                          |                     |                          |                              |                             |
| Interest income                         | 89,887                   | 177,092             | 9,986                    | 276,965                      | 137,107                     |
| Interest expense                        | (236,093)                | (104,100)           | (16,143)                 | (356,336)                    | --                          |
| Sale of land                            | --                       | 287,053             | --                       | 287,053                      | --                          |
| Gain (loss) on sale of equipment        | (15)                     | (1,274)             | --                       | (1,289)                      | --                          |
| Aid to private organizations            | --                       | (40,000)            | --                       | (40,000)                     | --                          |
| Amortization & other bond costs         | --                       | (15,175)            | (5,839)                  | (21,014)                     | --                          |
| Total non-operating revenues (expenses) | <u>(146,221)</u>         | <u>303,596</u>      | <u>(11,996)</u>          | <u>145,379</u>               | <u>137,107</u>              |
| Income (loss) before transfers          | (772,636)                | 466,422             | (194,756)                | (500,970)                    | 51,905                      |
| Transfers in                            | --                       | 4,773               | --                       | 4,773                        | --                          |
| Transfers out                           | (162,487)                | --                  | --                       | (162,487)                    | --                          |
| Capital contribution                    | 197,250                  | --                  | 767,900                  | 965,150                      | --                          |
| Change in net assets                    | <u>(737,873)</u>         | <u>471,195</u>      | <u>573,144</u>           | <u>306,466</u>               | <u>51,905</u>               |
| Net assets, beginning of year           | <u>6,251,608</u>         | <u>1,801,571</u>    | <u>3,451,671</u>         | <u>11,504,850</u>            | <u>955,190</u>              |
| Net assets, end of year                 | <u>\$ 5,513,735</u>      | <u>\$ 2,272,766</u> | <u>\$ 4,024,815</u>      | <u>\$ 11,811,316</u>         | <u>\$ 1,007,095</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, 2008**

|   | Business-type Activities |                     |                          |                              | Governmental                |
|---|--------------------------|---------------------|--------------------------|------------------------------|-----------------------------|
|   | Major Funds              |                     | Non-Major Fund           |                              | Activities                  |
|   | Navarre<br>Beach         | Landfill            | Peter<br>Prince<br>Field | Total<br>Enterprise<br>Funds | Internal<br>Service<br>Fund |
| Cash flows from operating activities  |                          |                     |                          |                              |                             |
| Cash received from customers  | \$ 1,876,930             | \$ 4,183,320        | \$ 142,571               | \$ 6,202,821                 | \$ 98                       |
| Cash paid to suppliers  | (1,381,472)              | (1,228,258)         | (35,975)                 | (2,645,705)                  | (1,167,586)                 |
| Cash paid to employees  | (512,715)                | (1,588,786)         | --                       | (2,101,501)                  | (260,864)                   |
| Cash received from interfund services provided  | --                       | --                  | --                       | --                           | 5,201,969                   |
| Cash paid for internal services provided  | --                       | --                  | --                       | --                           | (2,036,191)                 |
| Net cash provided (used) by operating activities  | (17,257)                 | 1,366,276           | 106,596                  | 1,455,615                    | 1,737,426                   |
| Cash flows from noncapital financing activities   |                          |                     |                          |                              |                             |
| Repayments of loans from other funds  | --                       | 975,000             | --                       | 975,000                      | --                          |
| Proceeds from recycling operations  | --                       | 287,053             | --                       | 287,053                      | --                          |
| Loans to other funds  | --                       | --                  | 365,000                  | 365,000                      | --                          |
| Aid to private organizations  | --                       | (40,000)            | --                       | (40,000)                     | --                          |
| Net cash provided (used) by noncapital financing activities                                   | --                       | 1,222,053           | 365,000                  | 1,587,053                    | --                          |
| Cash flows from capital and related financing activities                                      |                          |                     |                          |                              |                             |
| Proceeds from capital debt  | --                       | --                  | 1,139,000                | 1,139,000                    | --                          |
| Federal/State grants  | --                       | --                  | 426,011                  | 426,011                      | --                          |
| Purchases of capital assets   | (1,108,398)              | (2,167,597)         | (1,108,000)              | (4,383,995)                  | --                          |
| Principal paid on capital debt  | (340,693)                | (215,000)           | (920,547)                | (1,476,240)                  | --                          |
| Interest paid on capital debt   | (236,093)                | (105,608)           | (15,322)                 | (357,023)                    | --                          |
| Debt issue costs  | --                       | --                  | (5,839)                  | (5,839)                      | --                          |
| Net cash provided (used) by capital and related financing activities                          | (1,685,184)              | (2,488,205)         | (484,697)                | (4,658,086)                  | --                          |
| Cash flows from investing activities  |                          |                     |                          |                              |                             |
| Interest and dividends  | 89,887                   | 177,092             | 9,986                    | 276,965                      | 137,107                     |
| Net sale (purchase) of investments  | 482,145                  | 259,945             | 763                      | 742,853                      | (664,737)                   |
| Net cash provided (used) by investing activities  | 572,032                  | 437,037             | 10,749                   | 1,019,818                    | (527,630)                   |
| Net increase (decrease) in cash and cash equivalents  | (1,130,409)              | 537,161             | (2,352)                  | (595,600)                    | 1,209,796                   |
| Cash and cash equivalents at beginning of year  | 2,239,365                | 2,183,144           | 14,726                   | 4,437,235                    | 741,376                     |
| Cash and cash equivalents at end of year  | <u>\$ 1,108,956</u>      | <u>\$ 2,720,305</u> | <u>\$ 12,374</u>         | <u>\$ 3,841,635</u>          | <u>\$ 1,951,172</u>         |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities |                          |                     |                          |                              |                             |
| Operating income (loss)   | \$ (626,415)             | \$ 162,826          | \$ (182,760)             | \$ (646,349)                 | \$ (85,202)                 |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities |                          |                     |                          |                              |                             |
| Depreciation expense  | 356,563                  | 502,860             | 285,284                  | 1,144,707                    | 1,438                       |
| Landfill closure costs  | --                       | 433,057             | --                       | 433,057                      | --                          |
| Changes in assets and liabilities:  |                          |                     |                          |                              |                             |
| Accounts receivable   | 16,678                   | 134,584             | 7,419                    | 158,681                      | 1,221,738                   |
| Due from other governments  | --                       | --                  | (918)                    | (918)                        | --                          |
| Accounts payable  | 188,004                  | 106,634             | 1,071                    | 295,709                      | (103,348)                   |
| Contracts payable   | 26,300                   | --                  | (3,500)                  | 22,800                       | --                          |
| Accrued compensation  | 5,877                    | 18,918              | --                       | 24,795                       | 1,516                       |
| Compensated absences  | 13,016                   | 7,560               | --                       | 20,576                       | 4,520                       |
| Claims payable  | --                       | --                  | --                       | --                           | 696,764                     |
| Deposits  | 2,720                    | (163)               | --                       | 2,557                        | --                          |
| Net cash provided (used) by operating activities  | <u>\$ (17,257)</u>       | <u>\$ 1,366,276</u> | <u>\$ 106,596</u>        | <u>\$ 1,455,615</u>          | <u>\$ 1,737,426</u>         |
| Noncash Investing, Capital and Financing Activities:  |                          |                     |                          |                              |                             |
| Federal/state grant revenue accrual   | \$ 197,250               | \$ --               | \$ 767,900               | \$ 965,150                   | \$ --                       |
| Amortized bond refunding costs  | --                       | 15,175              | --                       | 15,175                       | --                          |
| Capital assets transferred from proprietary to governmental funds                             | 162,487                  | --                  | --                       | 162,487                      | --                          |
| Capital assets transferred from governmental to proprietary funds                             | --                       | 4,773               | --                       | 4,773                        | --                          |
|   | <u>\$ 359,737</u>        | <u>\$ 19,948</u>    | <u>\$ 767,900</u>        | <u>\$ 1,147,585</u>          | <u>\$ --</u>                |

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

**Santa Rosa County, Florida**

**STATEMENT OF FIDUCIARY NET ASSETS**

**September 30, 2008**

|                           | Agency<br>Funds     |
|---------------------------|---------------------|
| <b>ASSETS</b>             |                     |
| Cash and cash equivalents | \$ 3,403,352        |
| Accounts receivable       | 64,592              |
| Total assets              | <u>\$ 3,467,944</u> |
| <b>LIABILITIES</b>        |                     |
| Accounts payable          | \$ 60,900           |
| Escrow deposits           | 1,433,303           |
| Due to other governments  | 1,949,724           |
| Miscellaneous             | 24,017              |
| Total liabilities         | <u>\$ 3,467,944</u> |

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

**SANTA ROSA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2008**  
**GUIDE TO NOTES**

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**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**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) in its Statement No. 14, "The Financial Reporting Entity", 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 of County Commissioners, 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 in response to a petition to the State Soil Conservation Board. 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 Board of County Commissioners 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, based on the criteria of GASB Statement No. 14 outlined above, the Authority is a component unit of Santa Rosa County. However, the Authority meets the criteria for inclusion in more than one reporting entity - Pace Water System as well as Santa Rosa County. GASB Statement No. 14 indicates that 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**  
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**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 Santa Rosa 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, based on the criteria of GASB Statement No. 14 outlined above, the Authority is a component unit of Santa Rosa County. The Board of County Commissioners (Board) appoints the five (5) members of the Authority. Additionally, the Board 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 Santa Rosa County with the acquisition, construction, financing, and refinancing of projects. The Authority issued approximately \$15.8 million in bonds in 1983, lending the proceeds of the bonds to Gulf Breeze Hospital. These bonds were subsequently defeased in 1988 when the Authority issued approximately \$17.3 million in new bonds. The 1988 bonds were defeased in 1993 when the Authority issued approximately \$18.6 million in new bonds. The 1993 bonds were defeased in 2003 when the Authority issued approximately \$58 million in new bonds. The debt outstanding is a limited obligation of the Authority and not a general obligation of the Authority or Santa Rosa 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 of GASB Statement No. 14 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, capital projects and permanent funds. Proprietary funds include enterprise funds and an internal service fund.

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**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 Assets 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. Indirect expenses are not allocated to the various functions and activities. 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 assets should be reported as restricted when constraints placed on net asset 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 assets restricted for other purposes result from special revenue funds and the restrictions on their net asset use. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net assets then from unrestricted net assets.

**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, 2008**

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**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.
- Electricity Franchise Fee Fund – Accounts for the collection and distribution of Electricity Franchise Fees.
- Disaster Fund – Accounts for revenues and expenditures related to significant events such as Hurricanes Ivan, Dennis and Katrina.

**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, 2008**

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**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.

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

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.

The Board'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 Board is not to eliminate interfund activity in the government-wide statement of activities.

**FIDUCIARY FUNDS**

Agency funds are used to account for assets of others for which the County acts as an agent. The County has sixteen 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.
- Clerk's Intangible Tax Fund – The Clerk collects intangible tax and remits to the Department of Revenue.

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued**

- 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 State Witness and Juror Fund – State funding for payment of juror and witness fees is held in this fund. The balance is returned to the State at the end of each judicial quarter.
- Clerk's Uniform Child Support Fund – The Clerk collects child support and other payments required by court order and remits to the appropriate individuals or organizations.
- 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.
- 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 Individual Depositors Fund - accounts for the collection and disbursement of monies deposited primarily by insurance companies and attorneys awaiting civil process.
- 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 Prisoner's Personal Fund - accounts for receipts and disbursements of prisoners' personal funds during the period of incarceration.
- 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, 2008**

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**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 the Gas and Oil Preservation (permanent fund), Emergency Housing, Sheriff's Grants, Sheriff's Second Dollar, Sheriff's Prisoner Rec., and Sheriff's Federal Seizure special revenue funds.

**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.

**6. Investments**

Investments in bank certificates of deposit, U.S. Treasury bills, government backed securities and the Florida Local Government Investment Trust Fund are recorded at fair value. As defined by GASB Statement No. 31, 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 fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued**

**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 estimated fair market value at the date of donation.

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      |

**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.

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued**

**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, 2008, and expected to be collected during the period November 2008 through March 2009 are as follows:

|                          |               |
|--------------------------|---------------|
| General Fund             | \$ 45,849,180 |
| Road and Bridge Fund     | \$ 4,424,240  |
| Fine and Forfeiture Fund | \$ 132,310    |

These taxes, although measurable, are not recognized as revenue at September 30, 2008, 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.

**NOTE B - CASH AND INVESTMENTS**

At September 30, 2008, the bank held deposits of \$40,523,114 (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.

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**NOTE B - CASH AND INVESTMENTS - Continued**

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 80%)\*State Pool);
- b. Florida Local Government Investment Trust (FLGIT) (State Investment Trust) (Maximum of 40%)\*;
- 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, 2008**

**NOTE B - CASH AND INVESTMENTS - Continued**

The FLGIT 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 that focuses on longer term securities with the highest credit ratings. The effective maturity of the underlying investments is five years or less. At September 30, 2008, the FLGIT was invested in money markets, treasury notes, asset-backed securities, and Federal agency obligations. This investment type is subject to some market risk due to fluctuating prices and liquidity risk due to advance redemption notification requirements. However, it has a professional investment advisor and an investment advisory board, and provides diversity in the Fund's portfolio. The FLGIT maintains a credit rating of AAA by Standard & Poor's. The fair value of the County's position in the pool is the same as the value of the pool shares.

Schedule of Cash and Investments at September 30, 2008

|   | <u>Carrying<br/>Amount</u> |
|---|----------------------------|
| <u>Investments</u>  |                            |
| US Agencies Notes, Aaa credit rating, October 2008 Maturity | \$ 19,976,360              |
| Local Government Investment Pool                            | <u>10,005,592</u>          |
| Total Investments   | 29,981,952                 |
| <br><u>Cash</u>   |                            |
| Cash in Bank  | 35,395,022                 |
| Petty Cash  | <u>1,325</u>               |
| Total Cash  | <u>35,396,347</u>          |
| Total Cash and Investments                                  | <u>\$ 65,378,299</u>       |

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:

|                 |                          |
|-----------------|--------------------------|
|                 | <u>Landfill<br/>Fund</u> |
| Debt service    | \$ 52,727                |
| Landfill escrow | <u>3,302,553</u>         |
|                 | <u>\$ 3,355,280</u>      |

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

**NOTE C – DUE FROM OTHER GOVERNMENTAL UNITS**

At September 30, 2008, amounts due from other governmental units were as follows:

|                             |                     |
|-----------------------------|---------------------|
| Federal Government – Grants | \$ 849,132          |
| State of Florida – Grants   | 3,786,677           |
| State of Florida – Taxes    | 1,001,949           |
| Local – Taxes               | 350,019             |
| Other                       | <u>103,484</u>      |
| Total                       | <u>\$ 6,091,261</u> |

**NOTE D – INTERFUND TRANSACTIONS**

Interfund transactions for the year ended September 30, 2008 were as follows:

|                              | <u>Interfund<br/>Receivable</u> | <u>Interfund<br/>Payable</u> | <u>Interfund<br/>Transfers in</u> | <u>Interfund<br/>Transfers out</u> |
|------------------------------|---------------------------------|------------------------------|-----------------------------------|------------------------------------|
| General fund                 | \$ 1,261,411                    | \$ 160,937                   | \$ 590,692                        | \$ 534,717                         |
| Road & Bridge fund           | 406,890                         | --                           | 1,281,291                         | --                                 |
| Electric Franchise Fee fund  | 3,800,000                       | --                           | --                                | 3,392,541                          |
| Disaster fund                | --                              | 3,800,000                    | --                                | --                                 |
| Nonmajor Governmental funds  | 163,046                         | 1,605,410                    | 4,954,910                         | 2,899,635                          |
| Navarre Beach fund           | --                              | --                           | --                                | 162,487                            |
| Landfill fund                | 300,000                         | --                           | 4,773                             | --                                 |
| Nonmajor Business-type funds | --                              | <u>365,000</u>               | --                                | --                                 |
| Total                        | <u>\$ 5,931,347</u>             | <u>\$ 5,931,347</u>          | <u>\$ 6,831,666</u>               | <u>\$ 6,989,380</u> *              |

\* Transfers of Capital Assets between Governmental funds and Business-Type funds create an imbalance in transfers as Capital Assets are not reflected on the Governmental funds financial statements.

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) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds 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.

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

**NOTE E – RECEIVABLES**

| <u>Governmental</u>      | <u>Accounts</u>         | <u>Leases</u>         | <u>Intergov-<br/>ernmental</u> | <u>Total</u>            |
|--------------------------|-------------------------|-----------------------|--------------------------------|-------------------------|
| General                  | \$ 89,152               | \$ 521,103            | \$ 1,172,469                   | \$ 1,782,724            |
| Road and Bridge          | 62,665                  | --                    | 1,266,206                      | 1,328,871               |
| Electric Franchise Fee   | 480,107                 | --                    | --                             | 480,107                 |
| Disaster                 | --                      | --                    | 470,763                        | 470,763                 |
| NonMajor Govt.           | 159,937                 | --                    | 2,067,273                      | 2,227,210               |
| Self Insurance           | <u>25,400</u>           | <u>--</u>             | <u>1,900</u>                   | <u>27,300</u>           |
| Subtotal                 | 817,261                 | 521,103               | 4,978,611                      | 6,316,975               |
| <br><u>Business-Type</u> |                         |                       |                                |                         |
| Navarre Beach            | 229,676                 | --                    | 197,250                        | 426,926                 |
| Landfill                 | 526,817                 | --                    | --                             | 526,817                 |
| NonMajor Business        | <u>4,928</u>            | <u>--</u>             | <u>915,400</u>                 | <u>920,328</u>          |
| Subtotal                 | <u>761,421</u>          | <u>--</u>             | <u>1,112,650</u>               | <u>1,874,071</u>        |
| <br>Total                | <br><u>\$ 1,578,682</u> | <br><u>\$ 521,103</u> | <br><u>\$ 6,091,261</u>        | <br><u>\$ 8,191,046</u> |

**NOTE F – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2008 was as follows (in thousands):

| <b>Governmental activities:</b>             | <u>Beginning<br/>Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending<br/>Balance</u> |
|---|------------------------------|------------------|------------------|---------------------------|
| Capital assets not being depreciated:       |                              |                  |                  |                           |
| Land  | \$ 13,938                    | \$ 1,605         | \$ 6             | \$ 15,537                 |
| Construction in progress                    | <u>9,029</u>                 | <u>4,731</u>     | <u>6,359</u>     | <u>7,401</u>              |
| Total capital assets not being depreciated  | 22,967                       | 6,336            | 6,365            | 22,938                    |
| Other capital assets:                       |                              |                  |                  |                           |
| Buildings                                   | 54,246                       | 5,031            | 4,698            | 54,579                    |
| Improvements other than buildings           | 94,309                       | 3,868            | --               | 98,177                    |
| Machinery and equipment                     | <u>35,728</u>                | <u>2,087</u>     | <u>975</u>       | <u>36,840</u>             |
| Total capital assets being depreciated      | 184,283                      | 10,986           | 5,673            | 189,596                   |
| Less accumulated depreciation for:          |                              |                  |                  |                           |
| Buildings                                   | 26,492                       | 2,274            | 4,688            | 24,078                    |
| Improvements other than buildings           | 26,788                       | 3,204            | --               | 29,992                    |
| Machinery and equipment                     | <u>20,418</u>                | <u>3,369</u>     | <u>794</u>       | <u>22,993</u>             |
| Total accumulated depreciation              | <u>73,698</u>                | <u>8,847</u>     | <u>5,482</u>     | <u>77,063</u>             |
| Total capital assets being depreciated, net | <u>110,585</u>               | <u>2,139</u>     | <u>191</u>       | <u>112,533</u>            |
| Governmental activities capital assets, net | <u>\$ 133,552</u>            | <u>\$ 8,475</u>  | <u>\$ 6,556</u>  | <u>\$ 135,471</u>         |

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

**NOTE F – CAPITAL ASSETS - Continued**

| <b>Business-type activities:</b>             | <u>Beginning<br/>Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending<br/>Balance</u> |
|--|------------------------------|------------------|------------------|---------------------------|
| Capital assets not being depreciated:        |                              |                  |                  |                           |
| Land   | \$ 1,191                     | \$ --            | \$ --            | \$ 1,191                  |
| Construction in progress                     | <u>8,642</u>                 | <u>1,127</u>     | <u>9,292</u>     | <u>477</u>                |
| Total capital assets not being depreciated   | 9,833                        | 1,127            | 9,292            | 1,668                     |
| Other capital assets:                        |                              |                  |                  |                           |
| Buildings                                    | 1,478                        | 1,221            | --               | 2,699                     |
| Improvements other than buildings            | 13,857                       | 10,446           | --               | 24,303                    |
| Furniture, fixtures and equipment            | <u>5,341</u>                 | <u>292</u>       | <u>14</u>        | <u>5,619</u>              |
| Total capital assets being depreciated       | <u>20,676</u>                | <u>11,959</u>    | <u>14</u>        | <u>32,621</u>             |
| Less accumulated depreciation for:           |                              |                  |                  |                           |
| Buildings                                    | 884                          | 95               | --               | 979                       |
| Improvements other than buildings            | 10,096                       | 697              | 437              | 10,356                    |
| Furniture, fixtures and equipment            | <u>2,863</u>                 | <u>357</u>       | <u>12</u>        | <u>3,208</u>              |
| Total accumulated depreciation               | <u>13,843</u>                | <u>1,149</u>     | <u>449</u>       | <u>14,543</u>             |
| Total capital assets being depreciated, net  | <u>6,833</u>                 | <u>10,810</u>    | <u>(435)</u>     | <u>18,078</u>             |
| Business-type activities capital assets, net | <u>\$ 16,666</u>             | <u>\$ 11,937</u> | <u>\$ 8,857</u>  | <u>\$ 19,746</u>          |

Additions to accumulated depreciation do not agree with depreciation expense due to transfers of capital assets between governmental and business-type activities.

Depreciation expense was charged to functions as follows:

|   |                     |
|---|---------------------|
| Governmental activities:                            |                     |
| General government                                  | \$ 2,269,031        |
| Public safety                                       | 1,637,288           |
| Physical environment                                | 75,125              |
| Transportation                                      | 3,258,142           |
| Economic environment                                | 44,872              |
| Human services                                      | 128,755             |
| Culture and recreation                              | <u>991,083</u>      |
| Total governmental activities depreciation expense  | <u>\$ 8,404,296</u> |
| Business-type activities                            |                     |
| Water and sewer                                     | \$ 356,563          |
| Landfill  | 502,860             |
| Hangar rental                                       | <u>285,284</u>      |
| Total business-type activities depreciation expense | <u>\$ 1,144,707</u> |

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

**NOTE G- LONG-TERM DEBT**

**1. Changes in Long-Term Debt**

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

|                                  | Balance<br>October 1,<br><u>2007</u> | <u>Additions</u>    | <u>Deductions</u>   | Balance<br>September 30,<br><u>2008</u> | Amount<br>Due within<br><u>One Year</u> |
|----------------------------------|--------------------------------------|---------------------|---------------------|---|---|
| <b>Governmental activities:</b>  |                                      |                     |                     |   |   |
| Compensated absences             | \$ 8,330,125                         | \$ 4,071,680        | \$ 4,020,950        | \$ 8,380,855                            | \$ 4,000,000                            |
| Claims payable                   | 2,730,499                            | 2,537,486           | 1,840,723           | 3,427,262                               | 2,563,582                               |
| Revenue bonds                    | 2,297,500                            | --                  | 215,000             | 2,082,500                               | 220,000                                 |
| Notes payable                    | 3,766,521                            | --                  | 594,651             | 3,171,870                               | 516,651                                 |
| Special assessment notes         | <u>5,693,011</u>                     | <u>3,012,232</u>    | <u>1,178,459</u>    | <u>7,526,784</u>                        | <u>1,333,504</u>                        |
|                                  | <u>\$ 22,817,656</u>                 | <u>\$ 9,621,398</u> | <u>\$ 7,849,783</u> | <u>\$ 24,589,271</u>                    | <u>\$ 8,633,737</u>                     |
| <b>Business-type activities:</b> |                                      |                     |                     |   |   |
| Compensated absences             | \$ 412,276                           | \$ 179,817          | \$ 159,238          | \$ 432,854                              | \$ 150,000                              |
| Landfill closure costs           | 8,339,449                            | 433,057             | --                  | 8,772,506                               | 206,696                                 |
| Revenue bonds                    | 2,297,500                            | --                  | 215,000             | 2,082,500                               | 220,000                                 |
| Notes payable                    | <u>6,164,667</u>                     | <u>1,139,000</u>    | <u>1,261,241</u>    | <u>6,042,427</u>                        | <u>373,576</u>                          |
|                                  | <u>\$ 17,213,892</u>                 | <u>\$ 1,751,874</u> | <u>\$ 1,635,479</u> | <u>\$ 17,330,287</u>                    | <u>\$ 950,272</u>                       |

Unamortized bond discounts totaling \$6,587 and deferred losses on refunding of bonds totaling \$77,434 are netted against the liability in the proprietary funds. Deferred bond issue costs were \$34,848 at year end.

Special assessment notes are fully secured by annual assessments made against property owners of the specific area 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.

**2. Descriptions of Bonds and Notes**

Bonds and notes payable at September 30, 2008 are comprised of the following:

General government - notes payable

\$575,000 Capital Improvement Refunding Revenue Note, Series 2003B payable to bank for refunding certain indebtedness of the County – due in quarterly payments of \$28,750 plus interest at 4.15%, secured by non-ad valorem revenues.

\$ 28,750

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**NOTE G- LONG-TERM DEBT - Continued**

|  |           |
|--|-----------|
| \$3,700,000 note payable to bank for the acquisition and construction of facilities at the Pace Athletic Field. The note is due in 36 quarterly payments of \$90,763 to \$187,521 plus interest at 3.43%, secured by non-ad valorem revenues.  | 1,780,971 |
| \$325,000 note payable to bank for the acquisition and construction of facilities in the Bagdad Community Center. The note is due in 28 quarterly payments of \$11,607 plus interest at 3.74%, secured by non-ad valorem revenues.   | 185,714   |
| \$1,200,000 Third Cent Tourist Development Tax Revenue Note payable to bank for the construction of a tourist information center in Navarre. The note is due in 60 quarterly payments of \$4,601 to \$9,069, with a balloon payment of \$817,832 in January 2022, plus interest at 4.79%, secured by non-ad valorem revenues.  | 1,176,435 |
| \$4,825,000 special assessment note payable to bank for the construction of certain restoration improvements to Navarre Beach. The note is due in 28 quarterly payments of \$172,321 plus interest at 3.66%, secured by non-ad valorem revenues. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.                               | 2,929,464 |
| \$900,000 special assessment note payable to bank for the construction of certain restoration improvements to Navarre Beach. The note is due in 27 quarterly payments of \$33,333 plus interest at 3.76%, secured by non-ad valorem revenues. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.                                  | 566,667   |
| \$495,570 special assessment note payable to bank for the construction of certain road improvements in the Blackwater River and Smuggler's Cove subdivisions. The note is due in 36 quarterly payments of \$13,777 plus interest at 4.28%, secured by non-ad valorem revenues. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. | 399,531   |

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**NOTE G- LONG-TERM DEBT - Continued**

|  |         |
|--|---------|
| \$72,800 special assessment note payable to bank for the construction of a residential sewage system along Del Mar Drive. The note is due in 36 quarterly payments of \$2,600 including principal and interest at 5.71% with final payment due in 2010. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.  | 19,623  |
| \$363,500 special assessment note payable to bank for the construction of infrastructure improvements on Grande Navarre Canal. The note is due in 32 quarterly payments of \$13,590 including principal and interest at 4.43% with final payment due in 2011. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.  | 146,608 |
| \$250,000 special assessment note payable to bank for the construction of infrastructure improvements on Grande Navarre Canal. The note is due in 20 quarterly payments of \$10,925 to \$14,211 plus interest at 5.46% with final payment due in 2010. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.   | 82,392  |
| \$900,000 special assessment note payable to bank for the construction of infrastructure improvements on Polynesian Island Canal. The note is due in 30 quarterly payments of \$26,984 to \$33,225 plus interest at 2.88% with final payment due in 2011. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.  | 413,874 |
| \$341,000 special assessment note payable to bank for the construction of infrastructure improvements for Duke Drive MSBU. The note is due in 32 quarterly payments of \$9,243 to \$12,225 plus interest at 3.74% with final payment due in 2016. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest.  | 322,497 |
| \$600,000 special assessment note payable to bank for the construction of infrastructure improvements on Polynesian Island Canal. The note is due in 28 quarterly payments. Payments are interest only at 4.05% until 2012 then principal payments of \$36,085 to \$48,931 plus interest with final payment due in 2015. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. | 600,000 |
| \$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.  | 158,036 |

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**NOTE G - LONG-TERM DEBT - Continued**

\$1,582,132 special assessment note payable to bank for the acquisition and Installation of fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 96 monthly payments of \$14,040 to \$19,186 plus interest at 3.95% with final payment due in 2016. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 1,568,092

\$200,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Santa Rosa Shores MSBU. The note is due in 12 quarterly interest payments at 3.55% with the principal payment due in 2011. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 200,000

\$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. 120,000

General government - bonds payable

\$6,535,000 Capital Improvement Refunding Revenue Bonds, Series 2000-4.5 – 4.875% serial bonds due in annual installments of \$55,000 to \$610,000 from 2001 through 2016; Bonds are allocated 50% to governmental long-term debt and 50% to Landfill Fund. 2,082,500

Total general government bonds and notes payable \$ 12,781,154

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 3.767%, adjusted every 3 years, secured by non-ad valorem revenues. 5,823,974

Peter Prince Field

\$227,800 Airport Improvement Revenue Note, Series 2008 payable to bank for the construction of facilities at the Peter Prince Airport. The note is due in 40 quarterly payments of \$4,674 to \$6,868 plus interest at 4.1%, secured by non-ad valorem revenues. 218,452

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

**NOTE G- LONG-TERM DEBT - Continued**

Proprietary fund type - bonds payable

Landfill

\$6,535,000 Capital Improvement Refunding Revenue Bonds, Series 2000-4.5 – 4.875% serial bonds due in annual installments of \$55,000 to \$610,000 from 2001 through 2016; Bonds are allocated 50% to governmental long-term debt and 50% to Landfill Fund.

2,082,500

Total proprietary fund type bonds and note payable

\$ 8,124,926

**3. Debt Service Requirements**

The annual requirements to amortize all bonds and notes outstanding at September 30, 2008 are as follows:

Governmental activities:

| Year ended<br><u>September 30,</u> | <u>Principal</u>     | <u>Interest</u>     | <u>Total</u>         |
|------------------------------------|----------------------|---------------------|----------------------|
| 2009                               | \$ 2,070,155         | \$ 489,812          | \$ 2,559,967         |
| 2010                               | 2,089,810            | 409,888             | 2,499,698            |
| 2011                               | 2,278,133            | 327,435             | 2,605,568            |
| 2012                               | 2,100,683            | 244,448             | 2,345,131            |
| 2013                               | 1,009,721            | 174,433             | 1,184,154            |
| 2014-2018                          | 2,304,937            | 403,400             | 2,708,337            |
| 2019-2023                          | <u>927,715</u>       | <u>148,864</u>      | <u>1,076,579</u>     |
|                                    | <u>\$ 12,781,154</u> | <u>\$ 2,198,280</u> | <u>\$ 14,979,434</u> |

Business-type activities:

| Year ended<br><u>September 30,</u> | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>         |
|------------------------------------|---------------------|---------------------|----------------------|
| 2009                               | \$ 593,576          | \$ 334,108          | \$ 927,684           |
| 2010                               | 620,404             | 310,454             | 930,858              |
| 2011                               | 645,287             | 285,588             | 930,875              |
| 2012                               | 672,745             | 259,984             | 932,729              |
| 2013                               | 696,776             | 231,974             | 928,750              |
| 2014-2018                          | 3,290,101           | 717,342             | 4,007,443            |
| 2019-2023                          | <u>1,606,037</u>    | <u>164,588</u>      | <u>1,770,625</u>     |
|                                    | <u>\$ 8,124,926</u> | <u>\$ 2,304,038</u> | <u>\$ 10,428,964</u> |

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**NOTE G- LONG-TERM DEBT - Continued**

**4. Defeased Debt Outstanding**

In prior years the County defeased certain bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts' assets and liabilities for the defeased bonds are not included in the County's financial statements. At September 30, 2008, \$4.21 million of bonds are considered defeased.

**NOTE H - CONDUIT DEBT OBLIGATIONS**

Santa Rosa 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, 2008 are as follows:

|   | <u>Date<br/>Issued</u> | <u>Final<br/>Maturity</u> | <u>Amount<br/>Issued</u> | <u>Outstanding<br/>9/30/2008</u> |
|---|------------------------|---------------------------|--------------------------|----------------------------------|
| 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                | 3,510,000                        |
| Pace Volunteer Fire Department          | 4/16/2007              | 3/8/2017                  | 1,169,000                | 1,169,000                        |
| Navarre Beach Volunteer Fire Department | 4/25/2007              | 4/25/2017                 | <u>300,000</u>           | <u>269,118</u>                   |
| Total                                   |                        |                           | <u>\$63,519,000</u>      | <u>\$62,853,118</u>              |

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**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 \$8.7 million reported as landfill closure and postclosure care liability (current and noncurrent) at September 30, 2008, 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   | 57%          |
| Central Class III Landfill | 24%          |
| Central Class III Landfill | Closed 10/98 |
| Holley Landfill            | Closed 06/94 |
| Northwest Landfill         | Closed 02/91 |

The estimated cost of postclosure care for the Central Class III, Holley and Northwest 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 \$7.7 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 2008. The estimated remaining lives of the Central Class I and Class III landfills are 26 and 39 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, 2008, the County held investments of \$3,302,553 to cover the escrow requirement of \$3,302,553. 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.

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**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.

**Contributions** - Chapter 121 requires the employer to pay all contributions (employee noncontributory) based upon state-wide rates established by the State of Florida. During 2007, the County contributed an average of 9.85% of each qualified regular employee's gross salary, 16.53% percent of the elected officials' salary, 20.92% of each special risk employee's salary, and 10.91% for each DROP participant. The contributions, funded on a pay-as-you-go basis, were equal to the actuarially determined contribution requirements for each year and totaled \$5,304,052, \$5,368,935 and \$4,358,868 for the years ended September 30, 2008, 2007 and 2006, respectively.

**Benefit Provisions** - The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The FRS provides for vesting of benefits after 6 years of creditable service. Normal retirement benefits are available to employees who are vested and have reached the age of 62, or to those employees who have at least 30 years of creditable service, regardless of age. Early retirement is available after the employee is vested 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 highest years of earnings. 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.

**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, 2008**

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**NOTE K - RESERVES AND DESIGNATIONS**

The following is a list of reserves used by the County in the fund level financial statements:

**General Fund:**

|  |               |
|--|---------------|
| Reserve for inventory                              | \$ 65,323     |
| Reserve for debt service                           | 7,002         |
| Reserve for communications                         | 988,351       |
| Reserve for animal services education              | 42,012        |
| Reserve for crime prevention                       | 33,687        |
| Reserve for boating improvements                   | 427,070       |
| Reserve for long-term intergovernmental receivable | <u>25,000</u> |
|  | 1,588,445     |

**Road and Bridge Fund:**

|  |               |
|--|---------------|
| Reserve for Navarre Beach Bridge maintenance       | 4,170,811     |
| Reserve for inventory                              | 279,877       |
| Reserve for long-term intergovernmental receivable | <u>76,997</u> |
|  | 4,527,685     |

**Nonmajor Governmental Funds:**

|  |                  |
|--|------------------|
| Reserve for forfeited property               | 68,337           |
| Reserve for crime prevention                 | 192,532          |
| Reserve for domestic violence                | 66,894           |
| Reserve for court innovations                | 68,741           |
| Reserve for law library                      | 28,053           |
| Reserve for tourist development              | 2,003,821        |
| Reserve for gas and oil preservation         | 3,551,667        |
| Reserve for court technology                 | 293,897          |
| Reserve for hurricane housing recovery       | 753,001          |
| Reserve for records modernization trust fund | 568,601          |
| Reserve for law enforcement training         | <u>87,284</u>    |
|  | <u>7,682,828</u> |

**Total Governmental Funds** \$ 13,798,958

**NOTE L - 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

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

**NOTE L - RISK MANAGEMENT - Continued**

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

- Boats
- Employee Fidelity
- Buildings and Contents, \$25,000 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 \$3,427,262 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 5.5 to 8 percent. The undiscounted liability of these structured settlements is \$1,741,579. These liabilities are reported at their present value of \$892,283 at September 30, 2008.

Changes in the Fund's claims liability amount in fiscal years 2007 and 2008 were as follows:

|             | Beginning-of-<br>Fiscal-Year<br>Liability | Current-Year<br>Claims and<br>Changes in<br>Estimates | Claim<br>Payments | Balance at<br>Fiscal<br>Year-End |
|-------------|---|---|-------------------|----------------------------------|
| 2006 - 2007 | \$ 3,343,573                              | \$ 1,087,367  | \$ 1,700,441      | \$ 2,730,499                     |
| 2007 - 2008 | \$ 2,730,499                              | \$ 2,537,456  | \$ 1,840,693      | \$ 3,427,262                     |

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

|   |                     |
|---|---------------------|
| Current claims payable                    | \$ 2,534,979        |
| Current claims – structured settlements   | <u>28,603</u>       |
| Total claims payable, current             | 2,563,582           |
| Long-term claims – structured settlements | <u>863,680</u>      |
| Total claims payable                      | <u>\$ 3,427,262</u> |

**Santa Rosa County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2008**

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**NOTE L - RISK MANAGEMENT - Continued**

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 M - COMPLIANCE AND ACCOUNTABILITY**

**Accumulated Deficits**

The Disaster Fund has a deficit in fund balance due to the costs associated with Hurricanes Ivan, Dennis and Katrina. Revenues from Federal and State sources covered 87.5% to 95% of allowable costs. Disallowed costs and the County's local match portion have not been fully funded from local sources as yet.

**REQUIRED SUPPLEMENTAL INFORMATION**

**Santa Rosa County, Florida**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (GAAP Basis)  
GENERAL FUND**

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget     | Actual               |
|--|--------------------|---------------------|----------------------|
| <b>Revenues</b>                                      |                    |                     |                      |
| Taxes  | \$ 50,419,560      | \$ 50,419,560       | \$ 50,850,673        |
| Licenses and permits                                 | 2,493,750          | 2,493,750           | 1,630,515            |
| Intergovernmental                                    | 10,167,470         | 10,714,226          | 10,788,817           |
| Charges for services                                 | 6,214,372          | 6,338,900           | 6,833,492            |
| Fines and forfeits                                   | 285,000            | 285,000             | 274,498              |
| Miscellaneous  | 1,526,803          | 1,535,803           | 2,298,067            |
| Total revenues                                       | <u>71,106,955</u>  | <u>71,787,239</u>   | <u>72,676,062</u>    |
| <b>Expenditures</b>                                  |                    |                     |                      |
| <b>Current</b>                                       |                    |                     |                      |
| General government                                   | 23,375,673         | 24,912,659          | 22,256,282           |
| Public safety  | 37,302,535         | 37,508,977          | 36,728,799           |
| Physical environment                                 | 1,208,100          | 1,208,100           | 1,100,067            |
| Transportation                                       | 1,168,610          | 1,168,610           | 1,157,456            |
| Economic environment                                 | 140,910            | 140,910             | 134,602              |
| Human services                                       | 4,119,090          | 4,137,090           | 3,892,722            |
| Culture and recreation                               | 3,089,830          | 3,111,178           | 2,881,695            |
| Reserve for contingencies                            | 1,590,775          | 215,956             | --                   |
| Total expenditures                                   | <u>71,995,523</u>  | <u>72,403,480</u>   | <u>68,151,623</u>    |
| Excess (deficiency) of revenues<br>over expenditures | (888,568)          | (616,241)           | 4,524,439            |
| <b>Other financing sources (uses)</b>                |                    |                     |                      |
| Transfers in   | 16,500             | 590,692             | 590,692              |
| Transfers out  | (440,220)          | (534,717)           | (534,717)            |
| Total other financing sources (uses)                 | <u>(423,720)</u>   | <u>55,975</u>       | <u>55,975</u>        |
| Net change in fund balances                          | (1,312,288)        | (560,266)           | 4,580,414            |
| Fund balance, beginning of year                      | 1,312,288          | 2,217,743           | 9,068,609            |
| Change in reserve for inventory                      | --                 | --                  | 3,024                |
| Fund balance, end of year                            | <u>\$ --</u>       | <u>\$ 1,657,477</u> | <u>\$ 13,652,047</u> |

See accompanying notes to required supplemental information.

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget     | Actual               |
|--|--------------------|---------------------|----------------------|
| Revenues   |                    |                     |                      |
| Taxes  | \$ 8,860,190       | \$ 8,860,190        | \$ 8,603,335         |
| Intergovernmental                                    | 3,098,930          | 6,006,232           | 5,765,426            |
| Charges for services                                 | --                 | 145,470             | 229,350              |
| Miscellaneous  | 152,000            | 155,370             | 493,006              |
| Total revenues                                       | <u>12,111,120</u>  | <u>15,167,262</u>   | <u>15,091,117</u>    |
| Expenditures   |                    |                     |                      |
| Current  |                    |                     |                      |
| Physical environment                                 | --                 | 560,000             | 30,000               |
| Transportation                                       | 11,857,650         | 17,043,570          | 15,100,969           |
| Reserve for contingencies                            | 200,000            | 200,000             | --                   |
| Total expenditures                                   | <u>12,057,650</u>  | <u>17,803,570</u>   | <u>15,130,969</u>    |
| Excess (deficiency) of revenues<br>over expenditures | 53,470             | (2,636,308)         | (39,852)             |
| Other financing sources (uses)                       |                    |                     |                      |
| Transfers in   | 38,680             | 1,281,291           | 1,281,291            |
| Total other financing sources (uses)                 | <u>38,680</u>      | <u>1,281,291</u>    | <u>1,281,291</u>     |
| Net change in fund balances                          | 670                | (1,355,017)         | 1,241,439            |
| Fund balance, beginning of year                      | --                 | 5,510,571           | 8,830,909            |
| Change in reserve for inventory                      | --                 | --                  | 76,624               |
| Fund balance, end of year                            | <u>\$ 670</u>      | <u>\$ 4,155,554</u> | <u>\$ 10,148,972</u> |

See accompanying notes to required supplemental information.

**Santa Rosa County, Florida**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (GAAP Basis)  
ELECTRICITY FRANCHISE FEE FUND**

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget     | Actual              |
|--|--------------------|---------------------|---------------------|
| Revenues   |                    |                     |                     |
| Taxes  | \$ 4,940,000       | \$ 5,065,000        | \$ 5,224,408        |
| Miscellaneous  | --                 | --                  | 60,589              |
| Total revenues                                       | <u>4,940,000</u>   | <u>5,065,000</u>    | <u>5,284,997</u>    |
| Expenditures   |                    |                     |                     |
| Current  |                    |                     |                     |
| Economic environment                                 | --                 | 125,000             | 125,000             |
| Reserve for contingencies                            | 2,964,000          | --                  | --                  |
| Total expenditures                                   | <u>2,964,000</u>   | <u>125,000</u>      | <u>125,000</u>      |
| Excess (deficiency) of revenues<br>over expenditures | 1,976,000          | 4,940,000           | 5,159,997           |
| Other financing sources (uses)                       |                    |                     |                     |
| Transfers out  | (1,976,000)        | (11,795,612)        | (3,392,541)         |
| Total other financing sources (uses)                 | <u>(1,976,000)</u> | <u>(11,795,612)</u> | <u>(3,392,541)</u>  |
| Net change in fund balances                          | --                 | (6,855,612)         | 1,767,456           |
| Fund balance, beginning of year                      | <u>--</u>          | <u>6,855,612</u>    | <u>6,855,612</u>    |
| Fund balance, end of year                            | <u>\$ --</u>       | <u>\$ --</u>        | <u>\$ 8,623,068</u> |

See accompanying notes to required supplemental information.

**Santa Rosa County, Florida**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (GAAP Basis)  
DISASTER FUND**

**Year ended September 30, 2008**

|  | Original<br>Budget  | Final<br>Budget      | Actual                   |
|--|---------------------|----------------------|--------------------------|
| Revenues   |                     |                      |                          |
| Intergovernmental                                    | \$ --               | \$ 341,770           | \$ 1,374,500             |
| Miscellaneous  | --                  | --                   | 5,453                    |
| Total revenues                                       | <u>          --</u> | <u>      341,770</u> | <u>      1,379,953</u>   |
| Expenditures   |                     |                      |                          |
| Current  |                     |                      |                          |
| Public safety  | --                  | 341,770              | 273,024                  |
| Total expenditures                                   | <u>          --</u> | <u>      341,770</u> | <u>      273,024</u>     |
| Excess (deficiency) of revenues<br>over expenditures | --                  | --                   | 1,106,929                |
| Fund balance, beginning of year                      | <u>          --</u> | <u>          --</u>  | <u>      (4,110,708)</u> |
| Fund balance, end of year                            | <u>          --</u> | <u>          --</u>  | <u>      (3,003,779)</u> |

See accompanying notes to required supplemental information.

**Santa Rosa County, Florida**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**  
**September 30, 2008**

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**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 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.

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.

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

*Industrial Park* – accounts for funds used to maintain the industrial park.

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

*Santa Rosa Aging Services* – accounts for federal, state and local funds received to provide services to the senior citizens of the County.

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

*Emergency Housing Fund* - accounts for community development block grant (CDBG) funds received to repair and rebuild low to moderate income housing damaged by hurricanes. Not budgeted.

*HHR (Hurricane Housing Recovery) Program Fund* – accounts for grants received to repair and rebuild low to moderate income housing damaged by hurricanes.

*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 OSCA Grant Fund* – accounts for the funding received from the Office of State Courts Administrator (OSCA) and related expenditures.

## **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.

### **PERMANENT FUND**

Gas and Oil Preservation Fund - accounts for the assets collected in prior years attributable to non-recurring gas and oil tax revenues. Not budgeted.

**Santa Rosa County, Florida**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

**September 30, 2008**

| ASSETS                              | Special<br>Revenue   | Debt<br>Service   | Capital<br>Projects | Permanent<br>Fund   | Total Nonmajor<br>Governmental<br>Funds |
|-------------------------------------|----------------------|-------------------|---------------------|---------------------|---|
| Cash and cash equivalents           | \$ 12,060,852        | \$ 68,895         | \$ 2,402,875        | \$ 2,013,080        | \$ 16,545,702                           |
| Investments                         | 4,335,483            | 299,848           | 2,123,923           | 1,670,213           | 8,429,467                               |
| Receivables, net of uncollectibles  |                      |                   |                     |                     |   |
| Accounts                            | 159,937              | --                | --                  | --                  | 159,937                                 |
| Due from other governments          | 1,819,522            | --                | 247,751             | --                  | 2,067,273                               |
| Due from other funds                | 163,046              | --                | --                  | --                  | 163,046                                 |
| Prepaid expenses                    | 56,936               | --                | --                  | --                  | 56,936                                  |
|                                     | <hr/>                | <hr/>             | <hr/>               | <hr/>               | <hr/>                                   |
| Total assets                        | <u>\$ 18,595,776</u> | <u>\$ 368,743</u> | <u>\$ 4,774,549</u> | <u>\$ 3,683,293</u> | <u>\$ 27,422,361</u>                    |
| <br>                                |                      |                   |                     |                     |   |
| LIABILITIES                         |                      |                   |                     |                     |   |
| Accounts payable                    | \$ 807,096           | \$ 17             | \$ 441,680          | \$ 188              | \$ 1,248,981                            |
| Contracts payable                   | 51,040               | --                | 20,000              | --                  | 71,040                                  |
| Accrued wages payable               | 90,847               | --                | --                  | --                  | 90,847                                  |
| Unearned revenue                    | 522,349              | --                | --                  | --                  | 522,349                                 |
| Due to other funds                  | 1,155,410            | 275,000           | 175,000             | --                  | 1,605,410                               |
| Due to other governments            | 3,345                | --                | --                  | --                  | 3,345                                   |
| Advance payable to other funds      | 76,997               | --                | --                  | --                  | 76,997                                  |
|                                     | <hr/>                | <hr/>             | <hr/>               | <hr/>               | <hr/>                                   |
| Total liabilities                   | 2,707,084            | 275,017           | 636,680             | 188                 | 3,618,969                               |
| <br>                                |                      |                   |                     |                     |   |
| FUND BALANCES                       |                      |                   |                     |                     |   |
| Fund balances                       |                      |                   |                     |                     |   |
| Reserved                            | 4,131,161            | --                | --                  | 3,551,667           | 7,682,828                               |
| Unreserved, reported in:            |                      |                   |                     |                     |   |
| Special revenue funds               | 11,757,531           | --                | --                  | --                  | 11,757,531                              |
| Debt service fund                   | --                   | 93,726            | --                  | --                  | 93,726                                  |
| Capital project funds               | --                   | --                | 4,137,869           | --                  | 4,137,869                               |
| Permanent fund                      | --                   | --                | --                  | 131,438             | 131,438                                 |
|                                     | <hr/>                | <hr/>             | <hr/>               | <hr/>               | <hr/>                                   |
| Total fund balances                 | 15,888,692           | 93,726            | 4,137,869           | 3,683,105           | 23,803,392                              |
|                                     | <hr/>                | <hr/>             | <hr/>               | <hr/>               | <hr/>                                   |
| Total liabilities and fund balances | <u>\$ 18,595,776</u> | <u>\$ 368,743</u> | <u>\$ 4,774,549</u> | <u>\$ 3,683,293</u> | <u>\$ 27,422,361</u>                    |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Special<br>Revenue   | Debt<br>Service    | Capital<br>Project  | Permanent<br>Fund   | Total Nonmajor<br>Governmental<br>Funds |
|--|----------------------|--------------------|---------------------|---------------------|---|
| <b>Revenues</b>  |                      |                    |                     |                     |   |
| Taxes  | \$ 1,128,324         | \$ --              | \$ --               | \$ --               | \$ 1,128,324                            |
| Intergovernmental  | 11,698,045           | --                 | 247,751             | --                  | 11,945,796                              |
| Charges for services   | 4,451,240            | --                 | --                  | --                  | 4,451,240                               |
| Fines and forfeits   | 965,946              | --                 | --                  | --                  | 965,946                                 |
| Miscellaneous  | 8,312,769            | 25,390             | 189,907             | 97,303              | 8,625,369                               |
| <b>Total revenues</b>  | <b>26,556,324</b>    | <b>25,390</b>      | <b>437,658</b>      | <b>97,303</b>       | <b>27,116,675</b>                       |
| <b>Expenditures</b>  |                      |                    |                     |                     |   |
| <b>Current</b>   |                      |                    |                     |                     |   |
| General government   | 5,554,059            | --                 | --                  | --                  | 5,554,059                               |
| Public safety  | 8,964,819            | --                 | --                  | --                  | 8,964,819                               |
| Physical environment   | 1,246,770            | --                 | --                  | --                  | 1,246,770                               |
| Transportation   | 3,982,095            | --                 | --                  | --                  | 3,982,095                               |
| Economic environment   | 6,171,741            | --                 | --                  | --                  | 6,171,741                               |
| Human services   | 220,094              | --                 | --                  | --                  | 220,094                                 |
| Culture and recreation                                       | --                   | --                 | 61,462              | --                  | 61,462                                  |
| Capital outlay   | --                   | --                 | 3,160,826           | --                  | 3,160,826                               |
| Debt service   | 33,782               | 2,470,691          | --                  | --                  | 2,504,473                               |
| <b>Total expenditures</b>                                    | <b>26,173,360</b>    | <b>2,470,691</b>   | <b>3,222,288</b>    | <b>--</b>           | <b>31,866,339</b>                       |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>382,964</b>       | <b>(2,445,301)</b> | <b>(2,784,630)</b>  | <b>97,303</b>       | <b>(4,749,664)</b>                      |
| <b>Other financing sources (uses)</b>                        |                      |                    |                     |                     |   |
| Transfers in   | 57,598               | 2,421,800          | 2,475,512           | --                  | 4,954,910                               |
| Transfers out  | (1,915,049)          | (19,101)           | (965,485)           | --                  | (2,899,635)                             |
| New debt issuance  | 3,012,232            | --                 | --                  | --                  | 3,012,232                               |
| <b>Total other financing sources (uses)</b>                  | <b>1,154,781</b>     | <b>2,402,699</b>   | <b>1,510,027</b>    | <b>--</b>           | <b>5,067,507</b>                        |
| <b>Net change in fund balances</b>                           | <b>1,537,745</b>     | <b>(42,602)</b>    | <b>(1,274,603)</b>  | <b>97,303</b>       | <b>317,843</b>                          |
| <b>Fund balances, beginning of year</b>                      | <b>14,350,947</b>    | <b>136,328</b>     | <b>5,412,472</b>    | <b>3,585,802</b>    | <b>23,485,549</b>                       |
| <b>Fund balances, end of year</b>                            | <b>\$ 15,888,692</b> | <b>\$ 93,726</b>   | <b>\$ 4,137,869</b> | <b>\$ 3,683,105</b> | <b>\$ 23,803,392</b>                    |

**Santa Rosa County, Florida**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**

**September 30, 2008**

| ASSETS                                     | Fine and<br>Forfeiture | State<br>Match    | Grants            | Enhanced<br>911   | Local Option<br>Tourist Tax | Industrial<br>Park  | Impact<br>Fees      | Aging<br>Services | SHIP<br>Program     | Emergency<br>Housing |
|--|------------------------|-------------------|-------------------|-------------------|-----------------------------|---------------------|---------------------|-------------------|---------------------|----------------------|
| Cash and cash equivalents                  | \$ 171,565             | \$ 82,048         | \$ 393,400        | \$ 378,616        | \$ 1,511,585                | \$ 2,025,699        | \$ 3,266,199        | \$ 14,504         | \$ 427,208          | \$ 7,516             |
| Investments                                | 249,873                | --                | --                | 249,873           | 492,750                     | 119,620             | --                  | --                | 1,149,417           | --                   |
| Receivables, net of uncollectibles         |                        |                   |                   |                   |                             |                     |                     |                   |                     |                      |
| Accounts                                   | --                     | --                | --                | --                | 55,624                      | --                  | 5,627               | 283               | --                  | --                   |
| Due from other governments                 | 2,290                  | 18,988            | 260,640           | 56,657            | 323                         | --                  | 1,199,514           | --                | --                  | --                   |
| Due from other funds                       | 47,155                 | --                | --                | --                | --                          | --                  | 706                 | --                | --                  | --                   |
| Prepaid expenses                           | --                     | --                | --                | --                | --                          | --                  | --                  | --                | --                  | --                   |
| <b>Total assets</b>                        | <b>\$ 470,883</b>      | <b>\$ 101,036</b> | <b>\$ 654,040</b> | <b>\$ 685,146</b> | <b>\$ 2,060,282</b>         | <b>\$ 2,145,319</b> | <b>\$ 4,472,046</b> | <b>\$ 14,787</b>  | <b>\$ 1,576,625</b> | <b>\$ 7,516</b>      |
| <b>LIABILITIES</b>                         |                        |                   |                   |                   |                             |                     |                     |                   |                     |                      |
| Accounts payable                           | \$ 37,953              | \$ 9,372          | \$ 201,511        | \$ 21,872         | \$ 56,461                   | \$ 2,381            | \$ 115,260          | \$ --             | \$ 32,743           | \$ --                |
| Contracts payable                          | --                     | --                | 51,040            | --                | --                          | --                  | --                  | --                | --                  | --                   |
| Accrued wages payable                      | 5,028                  | --                | --                | 3,686             | --                          | --                  | --                  | --                | --                  | --                   |
| Unearned revenue                           | --                     | --                | 17,500            | --                | --                          | --                  | --                  | --                | --                  | --                   |
| Due to other funds                         | --                     | --                | 350,000           | --                | --                          | --                  | --                  | --                | --                  | --                   |
| Due to other governments                   | 3,345                  | --                | --                | --                | --                          | --                  | --                  | --                | --                  | --                   |
| Advance payable to other funds             | --                     | --                | --                | --                | --                          | --                  | --                  | --                | --                  | --                   |
| <b>Total liabilities</b>                   | <b>46,326</b>          | <b>9,372</b>      | <b>620,051</b>    | <b>25,558</b>     | <b>56,461</b>               | <b>2,381</b>        | <b>115,260</b>      | <b>--</b>         | <b>32,743</b>       | <b>--</b>            |
| <b>FUND BALANCES</b>                       |                        |                   |                   |                   |                             |                     |                     |                   |                     |                      |
| Fund balances                              |                        |                   |                   |                   |                             |                     |                     |                   |                     |                      |
| Reserved                                   | 424,557                | --                | --                | --                | 2,003,821                   | --                  | --                  | --                | --                  | --                   |
| Unreserved, reported in:                   |                        |                   |                   |                   |                             |                     |                     |                   |                     |                      |
| Special revenue funds                      | --                     | 91,664            | 33,989            | 659,588           | --                          | 2,142,938           | 4,356,786           | 14,787            | 1,543,882           | 7,516                |
| <b>Total fund balances</b>                 | <b>424,557</b>         | <b>91,664</b>     | <b>33,989</b>     | <b>659,588</b>    | <b>2,003,821</b>            | <b>2,142,938</b>    | <b>4,356,786</b>    | <b>14,787</b>     | <b>1,543,882</b>    | <b>7,516</b>         |
| <b>Total liabilities and fund balances</b> | <b>\$ 470,883</b>      | <b>\$ 101,036</b> | <b>\$ 654,040</b> | <b>\$ 685,146</b> | <b>\$ 2,060,282</b>         | <b>\$ 2,145,319</b> | <b>\$ 4,472,046</b> | <b>\$ 14,787</b>  | <b>\$ 1,576,625</b> | <b>\$ 7,516</b>      |

Continued...

Santa Rosa County, Florida

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS - Continued

September 30, 2008

| ASSETS                                     | HHR<br>Program      | MSBU                | Clerk's<br>Courts Fund | Clerk's<br>Court Tech | Clerk's<br>RMTF   | Clerk's<br>OSCA Grant | Sheriff's<br>Grants | Sheriff's<br>Second Dollar | Sheriff's<br>Prisoner Rec | Sheriff's<br>Fed Seizure | Total Nonmajor<br>Special Revenue<br>Funds |
|--|---------------------|---------------------|------------------------|-----------------------|-------------------|-----------------------|---------------------|----------------------------|---------------------------|--------------------------|--|
| Cash and cash equivalents                  | \$ 2,351            | \$ 1,906,227        | \$ --                  | \$ 267,067            | \$ 561,437        | \$ --                 | \$ 41,150           | \$ 95,585                  | \$ 880,673                | \$ 28,022                | \$ 12,060,852                              |
| Investments                                | 1,449,266           | 624,684             | --                     | --                    | --                | --                    | --                  | --                         | --                        | --                       | 4,335,483                                  |
| Receivables, net of uncollectibles         |                     |                     |                        |                       |                   |                       |                     |                            |                           |                          |  |
| Accounts                                   | --                  | 78,083              | --                     | --                    | --                | --                    | --                  | --                         | 20,320                    | --                       | 159,937                                    |
| Due from other governments                 | --                  | 9,400               | 137,973                | --                    | --                | 15,131                | 118,606             | --                         | --                        | --                       | 1,819,522                                  |
| Due from other funds                       | --                  | 60,041              | --                     | 33,999                | --                | --                    | 21,145              | --                         | --                        | --                       | 163,046                                    |
| Prepaid expenses                           | --                  | --                  | --                     | --                    | 56,936            | --                    | --                  | --                         | --                        | --                       | 56,936                                     |
| <b>Total assets</b>                        | <b>\$ 1,451,617</b> | <b>\$ 2,678,435</b> | <b>\$ 137,973</b>      | <b>\$ 301,066</b>     | <b>\$ 618,373</b> | <b>\$ 15,131</b>      | <b>\$ 180,901</b>   | <b>\$ 95,585</b>           | <b>\$ 900,993</b>         | <b>\$ 28,022</b>         | <b>\$ 18,595,776</b>                       |
| <b>LIABILITIES</b>                         |                     |                     |                        |                       |                   |                       |                     |                            |                           |                          |  |
| Accounts payable                           | \$ 20,951           | \$ 217,109          | \$ 29,344              | \$ 2,011              | \$ 49,772         | \$ --                 | \$ --               | \$ 1,400                   | \$ 8,956                  | \$ --                    | \$ 807,096                                 |
| Contracts payable                          | --                  | --                  | --                     | --                    | --                | --                    | --                  | --                         | --                        | --                       | 51,040                                     |
| Accrued wages payable                      | --                  | --                  | 74,630                 | 5,158                 | --                | 1,621                 | --                  | --                         | 724                       | --                       | 90,847                                     |
| Unearned revenue                           | 402,665             | 17,505              | --                     | --                    | --                | --                    | 56,657              | --                         | --                        | 28,022                   | 522,349                                    |
| Due to other funds                         | 275,000             | 325,000             | 33,999                 | --                    | --                | 13,510                | 124,244             | 6,901                      | 26,756                    | --                       | 1,155,410                                  |
| Due to other governments                   | --                  | --                  | --                     | --                    | --                | --                    | --                  | --                         | --                        | --                       | 3,345                                      |
| Advance payable to other funds             | --                  | 76,997              | --                     | --                    | --                | --                    | --                  | --                         | --                        | --                       | 76,997                                     |
| <b>Total liabilities</b>                   | <b>698,616</b>      | <b>636,611</b>      | <b>137,973</b>         | <b>7,169</b>          | <b>49,772</b>     | <b>15,131</b>         | <b>180,901</b>      | <b>8,301</b>               | <b>36,436</b>             | <b>28,022</b>            | <b>2,707,084</b>                           |
| <b>FUND BALANCES</b>                       |                     |                     |                        |                       |                   |                       |                     |                            |                           |                          |  |
| Fund balances                              |                     |                     |                        |                       |                   |                       |                     |                            |                           |                          |  |
| Reserved                                   | 753,001             | --                  | --                     | 293,897               | 568,601           | --                    | --                  | 87,284                     | --                        | --                       | 4,131,161                                  |
| Unreserved, reported in:                   |                     |                     |                        |                       |                   |                       |                     |                            |                           |                          |  |
| Special revenue funds                      | --                  | 2,041,824           | --                     | --                    | --                | --                    | --                  | --                         | 864,557                   | --                       | 11,757,531                                 |
| <b>Total fund balances</b>                 | <b>753,001</b>      | <b>2,041,824</b>    | <b>--</b>              | <b>293,897</b>        | <b>568,601</b>    | <b>--</b>             | <b>--</b>           | <b>87,284</b>              | <b>864,557</b>            | <b>--</b>                | <b>15,888,692</b>                          |
| <b>Total liabilities and fund balances</b> | <b>\$ 1,451,617</b> | <b>\$ 2,678,435</b> | <b>\$ 137,973</b>      | <b>\$ 301,066</b>     | <b>\$ 618,373</b> | <b>\$ 15,131</b>      | <b>\$ 180,901</b>   | <b>\$ 95,585</b>           | <b>\$ 900,993</b>         | <b>\$ 28,022</b>         | <b>\$ 18,595,776</b>                       |

Santa Rosa County, Florida

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

Year ended September 30, 2008

|  | Fine and<br>Forfeiture | State<br>Match | Grants    | Enhanced<br>911 | Local Option<br>Tourist Tax | Industrial<br>Park | Impact<br>Fees | Santa Rosa<br>Aging Services | SHIP<br>Program | Emergency<br>Housing |
|--|------------------------|----------------|-----------|-----------------|-----------------------------|--------------------|----------------|------------------------------|-----------------|----------------------|
| Revenues   |                        |                |           |                 |                             |                    |                |                              |                 |                      |
| Taxes  | \$ 201,811             | \$ --          | \$ --     | \$ --           | \$ 926,513                  | \$ --              | \$ --          | \$ --                        | \$ --           | \$ --                |
| Intergovernmental                                    | 43,409                 | 46,738         | 5,248,419 | --              | --                          | --                 | 729,260        | 4,440                        | 952,740         | 42,340               |
| Charges for services                                 | 835,636                | --             | --        | 712,769         | --                          | --                 | --             | 269                          | --              | --                   |
| Fines and forfeits                                   | 89,664                 | --             | --        | --              | --                          | --                 | --             | --                           | --              | --                   |
| Miscellaneous  | 58,544                 | 3,822          | --        | 47,432          | 59,255                      | 165,201            | 1,922,376      | 1,004                        | 125,548         | 454                  |
| Total revenues                                       | 1,229,064              | 50,560         | 5,248,419 | 760,201         | 985,768                     | 165,201            | 2,651,636      | 5,713                        | 1,078,288       | 42,794               |
| Expenditures   |                        |                |           |                 |                             |                    |                |                              |                 |                      |
| Current  |                        |                |           |                 |                             |                    |                |                              |                 |                      |
| General government                                   | 976,847                | --             | 101,198   | --              | --                          | --                 | --             | --                           | --              | --                   |
| Public safety  | 71,520                 | --             | 125,376   | 936,153         | --                          | --                 | --             | --                           | --              | --                   |
| Physical environment                                 | --                     | --             | 914,006   | --              | --                          | --                 | --             | --                           | --              | --                   |
| Transportation                                       | --                     | --             | --        | --              | --                          | --                 | 1,993,224      | --                           | --              | --                   |
| Economic environment                                 | --                     | --             | 3,818,529 | --              | 1,101,101                   | 208,974            | --             | --                           | 1,043,137       | --                   |
| Human services                                       | --                     | 27,565         | 165,775   | --              | --                          | --                 | --             | 26,754                       | --              | --                   |
| Debt service   | --                     | --             | --        | --              | --                          | --                 | --             | --                           | --              | --                   |
| Total expenditures                                   | 1,048,367              | 27,565         | 5,124,884 | 936,153         | 1,101,101                   | 208,974            | 1,993,224      | 26,754                       | 1,043,137       | --                   |
| Excess (deficiency) of revenues<br>over expenditures | 180,697                | 22,995         | 123,535   | (175,952)       | (115,333)                   | (43,773)           | 658,412        | (21,041)                     | 35,151          | 42,794               |
| Other financing sources (uses)                       |                        |                |           |                 |                             |                    |                |                              |                 |                      |
| Transfers in   | 20,000                 | --             | 18,497    | --              | --                          | --                 | --             | --                           | --              | --                   |
| Transfers out  | --                     | (49,900)       | (27,413)  | --              | (75,600)                    | --                 | --             | --                           | (178,644)       | --                   |
| New debt issuance                                    | --                     | --             | --        | --              | --                          | --                 | --             | --                           | --              | --                   |
| Total other financing sources (uses)                 | 20,000                 | (49,900)       | (8,916)   | --              | (75,600)                    | --                 | --             | --                           | (178,644)       | --                   |
| Net change in fund balances                          | 200,697                | (26,905)       | 114,619   | (175,952)       | (190,933)                   | (43,773)           | 658,412        | (21,041)                     | (143,493)       | 42,794               |
| Fund balances, beginning of year                     | 223,860                | 118,569        | (80,630)  | 835,540         | 2,194,754                   | 2,186,711          | 3,698,374      | 35,828                       | 1,687,375       | (35,278)             |
| Fund balances, end of year                           | \$ 424,557             | \$ 91,664      | \$ 33,989 | \$ 659,588      | \$ 2,003,821                | \$ 2,142,938       | \$ 4,356,786   | \$ 14,787                    | \$ 1,543,882    | \$ 7,516             |

Continued...

Santa Rosa County, Florida

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

Year ended September 30, 2008

|  | HHR<br>Program    | MSBU                | Clerk's<br>Courts Fund | Clerk's<br>Courts Tech | Clerk's<br>RMTF   | Clerk's<br>OSCA Grant | Sheriff's<br>Grants | Sheriff's<br>Second Dollar | Sheriff's<br>Prisoner Rec | Sheriff's<br>Federal Seizure | Total Nonmajor<br>Special Revenue<br>Funds |
|--|-------------------|---------------------|------------------------|------------------------|-------------------|-----------------------|---------------------|----------------------------|---------------------------|------------------------------|--|
| <b>Revenues</b>                                      |                   |                     |                        |                        |                   |                       |                     |                            |                           |                              |  |
| Taxes  | \$ --             | \$ --               | \$ --                  | \$ --                  | \$ --             | \$ --                 | \$ --               | \$ --                      | \$ --                     | \$ --                        | \$ 1,128,324                               |
| Intergovernmental                                    | 3,534,485         | --                  | 79,236                 | --                     | --                | 76,561                | 837,224             | 38,238                     | --                        | 64,955                       | 11,698,045                                 |
| Charges for services                                 | --                | --                  | 2,552,388              | 263,293                | 86,885            | --                    | --                  | --                         | --                        | --                           | 4,451,240                                  |
| Fines and forfeits                                   | --                | --                  | 876,282                | --                     | --                | --                    | --                  | --                         | --                        | --                           | 965,946                                    |
| Miscellaneous  | 97,591            | 5,464,831           | 15,106                 | --                     | --                | --                    | --                  | 2,376                      | 349,229                   | --                           | 8,312,769                                  |
| <b>Total revenues</b>                                | <b>3,632,076</b>  | <b>5,464,831</b>    | <b>3,523,012</b>       | <b>263,293</b>         | <b>86,885</b>     | <b>76,561</b>         | <b>837,224</b>      | <b>40,614</b>              | <b>349,229</b>            | <b>64,955</b>                | <b>26,556,324</b>                          |
| <b>Expenditures</b>                                  |                   |                     |                        |                        |                   |                       |                     |                            |                           |                              |  |
| <b>Current</b>                                       |                   |                     |                        |                        |                   |                       |                     |                            |                           |                              |  |
| General government                                   | --                | --                  | 3,523,012              | 484,168                | 393,257           | 75,577                | --                  | --                         | --                        | --                           | 5,554,059                                  |
| Public safety  | 3,364,146         | 3,088,389           | --                     | --                     | --                | --                    | 837,224             | 54,161                     | 422,895                   | 64,955                       | 8,964,819                                  |
| Physical environment                                 | --                | 332,764             | --                     | --                     | --                | --                    | --                  | --                         | --                        | --                           | 1,246,770                                  |
| Transportation                                       | --                | 1,988,871           | --                     | --                     | --                | --                    | --                  | --                         | --                        | --                           | 3,982,095                                  |
| Economic environment                                 | --                | --                  | --                     | --                     | --                | --                    | --                  | --                         | --                        | --                           | 6,171,741                                  |
| Human services                                       | --                | --                  | --                     | --                     | --                | --                    | --                  | --                         | --                        | --                           | 220,094                                    |
| Debt service   | --                | 33,782              | --                     | --                     | --                | --                    | --                  | --                         | --                        | --                           | 33,782                                     |
| <b>Total expenditures</b>                            | <b>3,364,146</b>  | <b>5,443,806</b>    | <b>3,523,012</b>       | <b>484,168</b>         | <b>393,257</b>    | <b>75,577</b>         | <b>837,224</b>      | <b>54,161</b>              | <b>422,895</b>            | <b>64,955</b>                | <b>26,173,360</b>                          |
| Excess (deficiency) of revenues<br>over expenditures | 267,930           | 21,025              | --                     | (220,875)              | (306,372)         | 984                   | --                  | (13,547)                   | (73,666)                  | --                           | 382,964                                    |
| <b>Other financing sources (uses)</b>                |                   |                     |                        |                        |                   |                       |                     |                            |                           |                              |  |
| Transfers in   | --                | 19,101              | --                     | --                     | --                | --                    | --                  | --                         | --                        | --                           | 57,598                                     |
| Transfers out  | (170,340)         | (1,413,152)         | --                     | --                     | --                | --                    | --                  | --                         | --                        | --                           | (1,915,049)                                |
| New debt issuance                                    | --                | 3,012,232           | --                     | --                     | --                | --                    | --                  | --                         | --                        | --                           | 3,012,232                                  |
| <b>Total other financing sources (uses)</b>          | <b>(170,340)</b>  | <b>1,618,181</b>    | <b>--</b>              | <b>--</b>              | <b>--</b>         | <b>--</b>             | <b>--</b>           | <b>--</b>                  | <b>--</b>                 | <b>--</b>                    | <b>1,154,781</b>                           |
| <b>Net change in fund balances</b>                   | <b>97,590</b>     | <b>1,639,206</b>    | <b>--</b>              | <b>(220,875)</b>       | <b>(306,372)</b>  | <b>984</b>            | <b>--</b>           | <b>(13,547)</b>            | <b>(73,666)</b>           | <b>--</b>                    | <b>1,537,745</b>                           |
| Fund balances, beginning of year                     | 655,411           | 402,618             | --                     | 514,772                | 874,973           | (984)                 | --                  | 100,831                    | 938,223                   | --                           | 14,350,947                                 |
| <b>Fund balances, end of year</b>                    | <b>\$ 753,001</b> | <b>\$ 2,041,824</b> | <b>\$ --</b>           | <b>\$ 293,897</b>      | <b>\$ 568,601</b> | <b>\$ --</b>          | <b>\$ --</b>        | <b>\$ 87,284</b>           | <b>\$ 864,557</b>         | <b>\$ --</b>                 | <b>\$ 15,888,692</b>                       |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget  | Actual            |
|--|--------------------|------------------|-------------------|
| <b>Revenues</b>                                      |                    |                  |                   |
| Taxes  | \$ 199,230         | \$ 199,230       | \$ 201,811        |
| Intergovernmental                                    | --                 | --               | 43,409            |
| Charges for services                                 | 589,000            | 866,150          | 835,636           |
| Fines and forfeits                                   | --                 | --               | 89,664            |
| Miscellaneous  | --                 | --               | 58,544            |
| <b>Total revenues</b>                                | <b>788,230</b>     | <b>1,065,380</b> | <b>1,229,064</b>  |
| <b>Expenditures</b>                                  |                    |                  |                   |
| Current  |                    |                  |                   |
| General government                                   | 788,585            | 1,076,005        | 976,847           |
| Public safety  | --                 | 40,000           | 71,520            |
| Reserve for contingencies                            | 3,870              | --               | --                |
| <b>Total expenditures</b>                            | <b>792,455</b>     | <b>1,116,005</b> | <b>1,048,367</b>  |
| Excess (deficiency) of revenues<br>over expenditures | (4,225)            | (50,625)         | 180,697           |
| <b>Other financing sources (uses)</b>                |                    |                  |                   |
| Transfers in   | --                 | 20,000           | 20,000            |
| <b>Total other financing sources (uses)</b>          | <b>--</b>          | <b>20,000</b>    | <b>20,000</b>     |
| <b>Net change in fund balances</b>                   | <b>(4,225)</b>     | <b>(30,625)</b>  | <b>200,697</b>    |
| Fund balance, beginning of year                      | 4,225              | 30,625           | 223,860           |
| <b>Fund balance, end of year</b>                     | <b>\$ --</b>       | <b>\$ --</b>     | <b>\$ 424,557</b> |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|   | Original<br>Budget | Final<br>Budget | Actual    |
|---|--------------------|-----------------|-----------|
| Revenues  |                    |                 |           |
| Intergovernmental   | \$ 35,150          | \$ 35,150       | \$ 46,738 |
| Miscellaneous   | --                 | --              | 3,822     |
| Total revenues  | 35,150             | 35,150          | 50,560    |
| Expenditures  |                    |                 |           |
| Current   |                    |                 |           |
| Human services  | 37,000             | 37,000          | 27,565    |
| Total expenditures  | 37,000             | 37,000          | 27,565    |
| Net change in fund balances   | (1,850)            | (1,850)         | 22,995    |
| Other financing sources (uses)  |                    |                 |           |
| Operating transfers out   | --                 | (49,900)        | (49,900)  |
| Total other financing sources (uses)  | --                 | (49,900)        | (49,900)  |
| Excess (deficiency) of revenues and other<br>sources over expenditures and other uses | (1,850)            | (51,750)        | (26,905)  |
| Fund balance, beginning of year   | 1,850              | 51,750          | 118,569   |
| Fund balance, end of year   | \$ --              | \$ --           | \$ 91,664 |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual       |
|--|--------------------|-----------------|--------------|
| Revenues   |                    |                 |              |
| Intergovernmental  | \$ --              | \$ 6,427,005    | \$ 5,248,419 |
| Total revenues   | --                 | 6,427,005       | 5,248,419    |
| Expenditures   |                    |                 |              |
| Current  |                    |                 |              |
| General government   | --                 | 173,579         | 101,198      |
| Public safety  | --                 | 125,074         | 125,376      |
| Physical environment   | --                 | 1,586,813       | 914,006      |
| Economic environment   | --                 | 4,195,769       | 3,818,529    |
| Human services   | --                 | 336,854         | 165,775      |
| Total expenditures   | --                 | 6,418,089       | 5,124,884    |
| Net change in fund balances  | --                 | 8,916           | 123,535      |
| Other financing sources (uses)   |                    |                 |              |
| Operating transfers in   | --                 | 18,497          | 18,497       |
| Operating transfers out  | --                 | (27,413)        | (27,413)     |
| Total other financing sources (uses)   | --                 | (8,916)         | (8,916)      |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | --                 | --              | 114,619      |
| Fund balance, beginning of year  | --                 | --              | (80,630)     |
| Fund balance, end of year  | \$ --              | \$ --           | \$ 33,989    |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|                                 | Original<br>Budget | Final<br>Budget | Actual     |
|---------------------------------|--------------------|-----------------|------------|
| Revenues                        |                    |                 |            |
| Charges for services            | \$ 588,910         | \$ 588,910      | \$ 712,769 |
| Miscellaneous                   | 28,500             | 28,500          | 47,432     |
| Total revenues                  | 617,410            | 617,410         | 760,201    |
| Expenditures                    |                    |                 |            |
| Current                         |                    |                 |            |
| Public safety                   | 613,824            | 1,184,223       | 936,153    |
| Reserve for contingencies       | 3,586              | 3,586           | --         |
| Total expenditures              | 617,410            | 1,187,809       | 936,153    |
| Net change in fund balances     | --                 | (570,399)       | (175,952)  |
| Fund balance, beginning of year | --                 | 570,399         | 835,540    |
| Fund balance, end of year       | \$ --              | \$ --           | \$ 659,588 |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual       |
|--|--------------------|-----------------|--------------|
| Revenues   |                    |                 |              |
| Taxes  | \$ 676,020         | \$ 676,020      | \$ 926,513   |
| Miscellaneous  | 19,580             | 22,080          | 59,255       |
| Total revenues                                       | 695,600            | 698,100         | 985,768      |
| Expenditures   |                    |                 |              |
| Current  |                    |                 |              |
| Economic environment                                 | 620,000            | 1,101,198       | 1,101,101    |
| Total expenditures                                   | 620,000            | 1,101,198       | 1,101,101    |
| Excess (deficiency) of revenues<br>over expenditures | 75,600             | (403,098)       | (115,333)    |
| Other financing sources (uses)                       |                    |                 |              |
| Transfers out  | (75,600)           | (75,600)        | (75,600)     |
| Total other financing sources (uses)                 | (75,600)           | (75,600)        | (75,600)     |
| Net change in fund balances                          | --                 | (478,698)       | (190,933)    |
| Fund balance, beginning of year                      | --                 | 478,698         | 2,194,754    |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 2,003,821 |

**Santa Rosa County, Florida  
Board of County Commissioners**

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)  
INDUSTRIAL PARK FUND**

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual       |
|--|--------------------|-----------------|--------------|
| Revenues   |                    |                 |              |
| Miscellaneous  | \$ --              | \$ 73,650       | \$ 165,201   |
| Total revenues                                       | --                 | 73,650          | 165,201      |
| Expenditures   |                    |                 |              |
| Current  |                    |                 |              |
| Economic environment                                 | --                 | 211,026         | 208,974      |
| Total expenditures                                   | --                 | 211,026         | 208,974      |
| Excess (deficiency) of revenues<br>over expenditures | --                 | (137,376)       | (43,773)     |
| Fund balance, beginning of year                      | --                 | 137,376         | 2,186,711    |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 2,142,938 |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|                                 | Original<br>Budget | Final<br>Budget | Actual       |
|---------------------------------|--------------------|-----------------|--------------|
| Revenues                        |                    |                 |              |
| Intergovernmental               | \$ --              | \$ 801,250      | \$ 729,260   |
| Miscellaneous                   | --                 | 772,565         | 1,922,376    |
| Total revenues                  | --                 | 1,573,815       | 2,651,636    |
| Expenditures                    |                    |                 |              |
| Current                         |                    |                 |              |
| Transportation                  | --                 | 5,272,189       | 1,993,224    |
| Total expenditures              | --                 | 5,272,189       | 1,993,224    |
| Net change in fund balances     | --                 | (3,698,374)     | 658,412      |
| Fund balance, beginning of year | --                 | 3,698,374       | 3,698,374    |
| Fund balance, end of year       | \$ --              | \$ --           | \$ 4,356,786 |

**Santa Rosa County, Florida**

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)  
SANTA ROSA AGING SERVICES**

**Year ended September 30, 2008**

|                                 | Original<br>Budget | Final<br>Budget | Actual    |
|---------------------------------|--------------------|-----------------|-----------|
| Revenues                        |                    |                 |           |
| Intergovernmental               | \$ --              | \$ --           | \$ 4,440  |
| Charges for services            | --                 | --              | 269       |
| Miscellaneous                   | --                 | --              | 1,004     |
| Total revenues                  | --                 | --              | 5,713     |
| Expenditures                    |                    |                 |           |
| Current                         |                    |                 |           |
| Human services                  | --                 | 26,755          | 26,754    |
| Total expenditures              | --                 | 26,755          | 26,754    |
| Net change in fund balances     | --                 | (26,755)        | (21,041)  |
| Fund balance, beginning of year | --                 | 26,755          | 35,828    |
| Fund balance, end of year       | \$ --              | \$ --           | \$ 14,787 |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual       |
|--|--------------------|-----------------|--------------|
| Revenues   |                    |                 |              |
| Intergovernmental                                    | \$ --              | \$ 1,624,595    | \$ 952,740   |
| Miscellaneous  | --                 | 249,907         | 125,548      |
| Total revenues                                       | --                 | 1,874,502       | 1,078,288    |
| Expenditures   |                    |                 |              |
| Current  |                    |                 |              |
| Economic environment                                 | --                 | 2,725,642       | 1,043,137    |
| Reserve for contingencies                            | --                 | 41,526          | --           |
| Total expenditures                                   | --                 | 2,767,168       | 1,043,137    |
| Excess (deficiency) of revenues<br>over expenditures | --                 | (892,666)       | 35,151       |
| Other financing sources (uses)                       |                    |                 |              |
| Transfers out  | --                 | (178,644)       | (178,644)    |
| Total other financing sources (uses)                 | --                 | (178,644)       | (178,644)    |
| Net change in fund balances                          | --                 | (1,071,310)     | (143,493)    |
| Fund balance, beginning of year                      | --                 | 1,071,310       | 1,687,375    |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 1,543,882 |

**Santa Rosa County, Florida**

**BUDGETARY COMPARISON SCHEDULE (GAAP Basis)  
HHR (HURRICANE HOUSING RECOVERY) PROGRAM**

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual       |
|--|--------------------|-----------------|--------------|
| Revenues   |                    |                 |              |
| Intergovernmental                                    | \$ --              | \$ 3,649,788    | \$ 3,534,485 |
| Miscellaneous  | --                 | --              | 97,591       |
| Total revenues                                       | --                 | 3,649,788       | 3,632,076    |
| Expenditures   |                    |                 |              |
| Current  |                    |                 |              |
| Economic environment                                 | --                 | 4,123,490       | 3,364,146    |
| Total expenditures                                   | --                 | 4,123,490       | 3,364,146    |
| Excess (deficiency) of revenues<br>over expenditures | --                 | (473,702)       | 267,930      |
| Other financing sources (uses)                       |                    |                 |              |
| Transfers out  | --                 | (170,340)       | (170,340)    |
| Total other financing sources (uses)                 | --                 | (170,340)       | (170,340)    |
| Net change in fund balances                          | --                 | (644,042)       | 97,590       |
| Fund balance, beginning of year                      | --                 | 644,042         | 655,411      |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 753,001   |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget  | Actual              |
|--|--------------------|------------------|---------------------|
| <b>Revenues</b>                                      |                    |                  |                     |
| Intergovernmental                                    | \$ --              | \$ 36,075        | \$ --               |
| Miscellaneous  | 5,599,870          | 5,604,383        | 5,464,831           |
| <b>Total revenues</b>                                | <b>5,599,870</b>   | <b>5,640,458</b> | <b>5,464,831</b>    |
| <b>Expenditures</b>                                  |                    |                  |                     |
| <b>Current</b>                                       |                    |                  |                     |
| Public safety  | 2,959,720          | 3,255,320        | 3,088,389           |
| Physical environment                                 | 669,728            | 811,594          | 332,764             |
| Transportation                                       | 1,096,972          | 2,136,737        | 1,988,871           |
| Debt service   | --                 | 21,950           | 33,782              |
| Reserve for contingencies                            | 797,570            | 957,971          | --                  |
| <b>Total expenditures</b>                            | <b>5,523,990</b>   | <b>7,183,572</b> | <b>5,443,806</b>    |
| Excess (deficiency) of revenues<br>over expenditures | 75,880             | (1,543,114)      | 21,025              |
| <b>Other financing sources (uses)</b>                |                    |                  |                     |
| Transfers in   | --                 | 19,101           | 19,101              |
| Transfers out  | (1,328,722)        | (1,433,652)      | (1,413,152)         |
| New debt issuance                                    | 1,245,892          | 2,555,992        | 3,012,232           |
| <b>Total other financing sources (uses)</b>          | <b>(82,830)</b>    | <b>1,141,441</b> | <b>1,618,181</b>    |
| <b>Net change in fund balances</b>                   | <b>(6,950)</b>     | <b>(401,673)</b> | <b>1,639,206</b>    |
| Fund balance, beginning of year                      | 6,950              | 401,673          | 402,618             |
| <b>Fund balance, end of year</b>                     | <b>\$ --</b>       | <b>\$ --</b>     | <b>\$ 2,041,824</b> |

**Santa Rosa County, Florida  
Board of County Commissioners**

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

**Year ended September 30, 2008**

|                                 | Original<br>Budget  | Final<br>Budget     | Actual              |
|---------------------------------|---------------------|---------------------|---------------------|
| Revenues                        |                     |                     |                     |
| Intergovernmental               | \$ 50,000           | \$ 96,115           | \$ 79,236           |
| Charges for services            | 2,445,547           | 2,607,716           | 2,552,388           |
| Fines and forfeits              | 1,057,548           | 889,675             | 876,282             |
| Miscellaneous                   | 14,205              | 19,909              | 15,106              |
| Total revenues                  | <u>3,567,300</u>    | <u>3,613,415</u>    | <u>3,523,012</u>    |
| Expenditures                    |                     |                     |                     |
| Current                         |                     |                     |                     |
| General government              | 3,532,475           | 3,578,590           | 3,523,012           |
| Reserve for contingencies       | 34,825              | 34,825              | --                  |
| Total expenditures              | <u>3,567,300</u>    | <u>3,613,415</u>    | <u>3,523,012</u>    |
| Net change in fund balances     | --                  | --                  | --                  |
| 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  
Board of County Commissioners**

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

**Year ended September 30, 2008**

|                                 | Original<br>Budget | Final<br>Budget | Actual     |
|---------------------------------|--------------------|-----------------|------------|
| Revenues                        |                    |                 |            |
| Charges for services            | \$ 410,000         | \$ 410,000      | \$ 263,293 |
| Total revenues                  | 410,000            | 410,000         | 263,293    |
| Expenditures                    |                    |                 |            |
| Current                         |                    |                 |            |
| General government              | 410,000            | 410,000         | 484,168    |
| Total expenditures              | 410,000            | 410,000         | 484,168    |
| Net change in fund balances     | --                 | --              | (220,875)  |
| Fund balance, beginning of year | --                 | --              | 514,772    |
| Fund balance, end of year       | \$ --              | \$ --           | \$ 293,897 |

**Santa Rosa County, Florida  
Board of County Commissioners**

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

**Year ended September 30, 2008**

|                                 | Original<br>Budget | Final<br>Budget | Actual     |
|---------------------------------|--------------------|-----------------|------------|
| Revenues                        |                    |                 |            |
| Charges for services            | 130,500            | 130,500         | 86,885     |
| Total revenues                  | 130,500            | 130,500         | 86,885     |
| Expenditures                    |                    |                 |            |
| Current                         |                    |                 |            |
| General government              | 130,500            | 130,500         | 393,257    |
| Total expenditures              | 130,500            | 130,500         | 393,257    |
| Net change in fund balances     | --                 | --              | (306,372)  |
| Fund balance, beginning of year | --                 | --              | 874,973    |
| Fund balance, end of year       | \$ --              | \$ --           | \$ 568,601 |

**Santa Rosa County, Florida  
Board of County Commissioners**

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

**Year ended September 30, 2008**

|                                 | Original<br>Budget | Final<br>Budget | Actual    |
|---------------------------------|--------------------|-----------------|-----------|
| Revenues                        |                    |                 |           |
| Intergovernmental               | \$ 54,252          | \$ 71,928       | \$ 76,561 |
| Total revenues                  | 54,252             | 71,928          | 76,561    |
| Expenditures                    |                    |                 |           |
| Current                         |                    |                 |           |
| General government              | 54,252             | 71,928          | 75,577    |
| Total expenditures              | 54,252             | 71,928          | 75,577    |
| Net change in fund balances     | --                 | --              | 984       |
| Fund balance, beginning of year | --                 | --              | (984)     |
| Fund balance, end of year       | \$ --              | \$ --           | \$ --     |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual      |
|--|--------------------|-----------------|-------------|
| Revenues   |                    |                 |             |
| Miscellaneous  | \$ --              | \$ --           | \$ 25,390   |
| Total revenues                                       | --                 | --              | 25,390      |
| Expenditures   |                    |                 |             |
| Debt service   | 2,337,370          | 2,486,059       | 2,470,691   |
| Total expenditures                                   | 2,337,370          | 2,486,059       | 2,470,691   |
| Excess (deficiency) of revenues<br>over expenditures | (2,337,370)        | (2,486,059)     | (2,445,301) |
| Other financing sources (uses)                       |                    |                 |             |
| Transfers in   | 2,337,370          | 2,442,300       | 2,421,800   |
| Transfers out  | --                 | (19,101)        | (19,101)    |
| Total other financing sources (uses)                 | 2,337,370          | 2,423,199       | 2,402,699   |
| Net change in fund balances                          | --                 | (62,860)        | (42,602)    |
| Fund balance, beginning of year                      | --                 | 62,860          | 136,328     |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 93,726   |

**Santa Rosa County, Florida**

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS**

**September 30, 2008**

| ASSETS                                     | District<br>One   | District<br>Two   | District<br>Three | District<br>Four  | District<br>Five  | Other<br>Capital<br>Projects | Total Nonmajor<br>Capital Project<br>Funds |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|------------------------------|--|
| Cash and cash equivalents                  | \$ 117,899        | \$ 32,186         | \$ 135,631        | \$ 97,141         | \$ 559            | \$ 2,019,459                 | \$ 2,402,875                               |
| Investments                                | 149,924           | 824,582           | 149,924           | 99,949            | 899,544           | --                           | 2,123,923                                  |
| Due from other governments                 | --                | 8,450             | --                | --                | --                | 239,301                      | 247,751                                    |
| <b>Total assets</b>                        | <b>\$ 267,823</b> | <b>\$ 865,218</b> | <b>\$ 285,555</b> | <b>\$ 197,090</b> | <b>\$ 900,103</b> | <b>\$ 2,258,760</b>          | <b>\$ 4,774,549</b>                        |
| <b>LIABILITIES</b>                         |                   |                   |                   |                   |                   |                              |  |
| Accounts payable                           | \$ 9              | \$ 2,041          | \$ 9              | \$ (197)          | \$ 14,762         | \$ 425,056                   | \$ 441,680                                 |
| Contracts payable                          | --                | --                | --                | --                | --                | 20,000                       | 20,000                                     |
| Due to other funds                         | --                | --                | --                | --                | --                | 175,000                      | 175,000                                    |
| <b>Total liabilities</b>                   | <b>9</b>          | <b>2,041</b>      | <b>9</b>          | <b>(197)</b>      | <b>14,762</b>     | <b>620,056</b>               | <b>636,680</b>                             |
| <b>FUND BALANCES</b>                       |                   |                   |                   |                   |                   |                              |  |
| Fund balances                              |                   |                   |                   |                   |                   |                              |  |
| Reserved                                   | --                | --                | --                | --                | --                | --                           | --   |
| Unreserved, reported in:                   |                   |                   |                   |                   |                   |                              |  |
| Capital project funds                      | 267,814           | 863,177           | 285,546           | 197,287           | 885,341           | 1,638,704                    | 4,137,869                                  |
| <b>Total fund balances</b>                 | <b>267,814</b>    | <b>863,177</b>    | <b>285,546</b>    | <b>197,287</b>    | <b>885,341</b>    | <b>1,638,704</b>             | <b>4,137,869</b>                           |
| <b>Total liabilities and fund balances</b> | <b>\$ 267,823</b> | <b>\$ 865,218</b> | <b>\$ 285,555</b> | <b>\$ 197,090</b> | <b>\$ 900,103</b> | <b>\$ 2,258,760</b>          | <b>\$ 4,774,549</b>                        |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | District<br>One   | District<br>Two   | District<br>Three | District<br>Four  | District<br>Five  | Other<br>Capital<br>Projects | Total Nonmajor<br>Capital Project<br>Funds |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|------------------------------|--|
| <b>Revenues</b>                                      |                   |                   |                   |                   |                   |                              |  |
| Intergovernmental                                    | \$ --             | \$ 8,450          | \$ --             | \$ --             | \$ --             | \$ 239,301                   | \$ 247,751                                 |
| Miscellaneous  | 15,045            | 26,064            | 13,454            | 25,873            | 28,829            | 80,642                       | 189,907                                    |
| <b>Total revenues</b>                                | <b>15,045</b>     | <b>34,514</b>     | <b>13,454</b>     | <b>25,873</b>     | <b>28,829</b>     | <b>319,943</b>               | <b>437,658</b>                             |
| <b>Expenditures</b>                                  |                   |                   |                   |                   |                   |                              |  |
| Current  |                   |                   |                   |                   |                   |                              |  |
| Culture and recreation                               | 10,060            | 5,000             | 3,068             |                   | 43,334            | --                           | 61,462                                     |
| Capital outlay                                       | --                | 30,299            | 5,006             | 764,156           | 80,176            | 2,281,189                    | 3,160,826                                  |
| <b>Total expenditures</b>                            | <b>10,060</b>     | <b>35,299</b>     | <b>8,074</b>      | <b>764,156</b>    | <b>123,510</b>    | <b>2,281,189</b>             | <b>3,222,288</b>                           |
| Excess (deficiency) of revenues<br>over expenditures | 4,985             | (785)             | 5,380             | (738,283)         | (94,681)          | (1,961,246)                  | (2,784,630)                                |
| <b>Other financing sources (uses)</b>                |                   |                   |                   |                   |                   |                              |  |
| Transfers in   | 270,086           | 388,641           | 273,586           | 436,627           | 438,127           | 668,445                      | 2,475,512                                  |
| Transfers out  | (116,360)         | --                | (419,685)         | (280,000)         | --                | (149,440)                    | (965,485)                                  |
| <b>Total other financing sources (uses)</b>          | <b>153,726</b>    | <b>388,641</b>    | <b>(146,099)</b>  | <b>156,627</b>    | <b>438,127</b>    | <b>519,005</b>               | <b>1,510,027</b>                           |
| <b>Net change in fund balances</b>                   | <b>158,711</b>    | <b>387,856</b>    | <b>(140,719)</b>  | <b>(581,656)</b>  | <b>343,446</b>    | <b>(1,442,241)</b>           | <b>(1,274,603)</b>                         |
| <b>Fund balances, beginning of year</b>              | <b>109,103</b>    | <b>475,321</b>    | <b>426,265</b>    | <b>778,943</b>    | <b>541,895</b>    | <b>3,080,945</b>             | <b>5,412,472</b>                           |
| <b>Fund balances, end of year</b>                    | <b>\$ 267,814</b> | <b>\$ 863,177</b> | <b>\$ 285,546</b> | <b>\$ 197,287</b> | <b>\$ 885,341</b> | <b>\$ 1,638,704</b>          | <b>\$ 4,137,869</b>                        |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual     |
|--|--------------------|-----------------|------------|
| Revenues   |                    |                 |            |
| Miscellaneous  | \$ --              | \$ 6,000        | \$ 15,045  |
| Total revenues                                       | --                 | 6,000           | 15,045     |
| Expenditures   |                    |                 |            |
| Current  |                    |                 |            |
| Culture and recreation                               | --                 | --              | 10,060     |
| Capital outlay                                       | --                 | 96,500          | --         |
| Reserve for contingencies                            | 152,939            | 176,829         | --         |
| Total expenditures                                   | 152,939            | 273,329         | 10,060     |
| Excess (deficiency) of revenues<br>over expenditures | (152,939)          | (267,329)       | 4,985      |
| Other financing sources (uses)                       |                    |                 |            |
| Transfers in   | 152,939            | 270,086         | 270,086    |
| Transfers out  | --                 | (116,360)       | (116,360)  |
| Total other financing sources (uses)                 | 152,939            | 153,726         | 153,726    |
| Net change in fund balances                          | --                 | (113,603)       | 158,711    |
| Fund balance, beginning of year                      | --                 | 113,603         | 109,103    |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 267,814 |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual     |
|--|--------------------|-----------------|------------|
| Revenues   |                    |                 |            |
| Intergovernmental                                    | \$ --              | \$ 20,000       | \$ 8,450   |
| Miscellaneous  | --                 | --              | 26,064     |
| Total revenues                                       | --                 | 20,000          | 34,514     |
| Expenditures   |                    |                 |            |
| Current  |                    |                 |            |
| Culture and recreation                               | --                 | 5,000           | 5,000      |
| Capital outlay                                       | --                 | 46,726          | 30,299     |
| Reserve for contingencies                            | 339,214            | 832,206         | --         |
| Total expenditures                                   | 339,214            | 883,932         | 35,299     |
| Excess (deficiency) of revenues<br>over expenditures | (339,214)          | (863,932)       | (785)      |
| Other financing sources (uses)                       |                    |                 |            |
| Transfers in   | 339,214            | 388,641         | 388,641    |
| Total other financing sources (uses)                 | 339,214            | 388,641         | 388,641    |
| Net change in fund balances                          | --                 | (475,291)       | 387,856    |
| Fund balance, beginning of year                      | --                 | 475,291         | 475,321    |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 863,177 |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual     |
|--|--------------------|-----------------|------------|
| <b>Revenues</b>                                      |                    |                 |            |
| Miscellaneous  | \$ --              | \$ --           | \$ 13,454  |
| Total revenues                                       | --                 | --              | 13,454     |
| <b>Expenditures</b>                                  |                    |                 |            |
| <b>Current</b>                                       |                    |                 |            |
| Culture and recreation                               | --                 | 7,225           | 3,068      |
| Capital outlay                                       | --                 | 23,954          | 5,006      |
| Reserve for contingencies                            | 152,939            | 248,987         | --         |
| Total expenditures                                   | 152,939            | 280,166         | 8,074      |
| Excess (deficiency) of revenues<br>over expenditures | (152,939)          | (280,166)       | 5,380      |
| <b>Other financing sources (uses)</b>                |                    |                 |            |
| Transfers in   | 152,939            | 273,586         | 273,586    |
| Transfers out  | --                 | (419,685)       | (419,685)  |
| Total other financing sources (uses)                 | 152,939            | (146,099)       | (146,099)  |
| Net change in fund balances                          | --                 | (426,265)       | (140,719)  |
| Fund balance, beginning of year                      | --                 | 426,265         | 426,265    |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 285,546 |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual     |
|--|--------------------|-----------------|------------|
| Revenues   |                    |                 |            |
| Miscellaneous  | \$ --              | \$ --           | \$ 25,873  |
| Total revenues                                       | --                 | --              | 25,873     |
| Expenditures   |                    |                 |            |
| Capital outlay                                       | --                 | 663,756         | 764,156    |
| Reserve for contingencies                            | 390,700            | 271,813         | --         |
| Total expenditures                                   | 390,700            | 935,569         | 764,156    |
| Excess (deficiency) of revenues<br>over expenditures | (390,700)          | (935,569)       | (738,283)  |
| Other financing sources (uses)                       |                    |                 |            |
| Transfers in   | 390,700            | 436,627         | 436,627    |
| Transfers out  | --                 | (280,000)       | (280,000)  |
| Total other financing sources (uses)                 | 390,700            | 156,627         | 156,627    |
| Net change in fund balances                          | --                 | (778,942)       | (581,656)  |
| Fund balance, beginning of year                      | --                 | 778,942         | 778,943    |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 197,287 |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual     |
|--|--------------------|-----------------|------------|
| Revenues   |                    |                 |            |
| Miscellaneous  | \$ --              | \$ 3,500        | \$ 28,829  |
| Total revenues                                       | --                 | 3,500           | 28,829     |
| Expenditures   |                    |                 |            |
| Current  |                    |                 |            |
| Culture and recreation                               | --                 | 205,275         | 43,334     |
| Capital outlay                                       | --                 | 245,226         | 80,176     |
| Reserve for contingencies                            | 392,200            | 533,021         | --         |
| Total expenditures                                   | 392,200            | 983,522         | 123,510    |
| Excess (deficiency) of revenues<br>over expenditures | (392,200)          | (980,022)       | (94,681)   |
| Other financing sources (uses)                       |                    |                 |            |
| Transfers in   | 392,200            | 438,127         | 438,127    |
| Total other financing sources (uses)                 | 392,200            | 438,127         | 438,127    |
| Net change in fund balances                          | --                 | (541,895)       | 343,446    |
| Fund balance, beginning of year                      | --                 | 541,895         | 541,895    |
| Fund balance, end of year                            | \$ --              | \$ --           | \$ 885,341 |

**Santa Rosa County, Florida**

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

**Year ended September 30, 2008**

|  | Original<br>Budget | Final<br>Budget | Actual       |
|--|--------------------|-----------------|--------------|
| Revenues   |                    |                 |              |
| Intergovernmental                                    | \$ --              | \$ 772,667      | \$ 239,301   |
| Miscellaneous  | --                 | --              | 80,642       |
| Total revenues                                       | --                 | 772,667         | 319,943      |
| Expenditures   |                    |                 |              |
| Capital outlay                                       |                    | 2,165,649       | 2,281,189    |
| Total expenditures                                   | --                 | 2,165,649       | 2,281,189    |
| Excess (deficiency) of revenues<br>over expenditures | --                 | (1,392,982)     | (1,961,246)  |
| Other financing sources (uses)                       |                    |                 |              |
| Transfers in   | --                 | 668,445         | 668,445      |
| Transfers out  | --                 | (149,440)       | (149,440)    |
| Total other financing sources (uses)                 | --                 | 519,005         | 519,005      |
| Net change in fund balances                          | --                 | (873,977)       | (1,442,241)  |
| Fund balance, beginning of year                      | --                 | 2,805,621       | 3,080,945    |
| Fund balance, end of year                            | \$ --              | \$ 1,931,644    | \$ 1,638,704 |

## 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 State Witness and Juror Fund – State funding for payment of juror and witness fees is held in this fund. The balance is returned to the State at the end of each judicial quarter.

Clerk's Uniform Child Support Fund – The Clerk collects child support and other payments required by court order and remits to the appropriate individuals or organizations.

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.

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 Individual Depositors Fund - accounts for the collection and disbursement of monies deposited primarily by insurance companies and attorneys awaiting civil process.

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 Prisoner's Personal Fund - accounts for receipts and disbursements of prisoners' personal funds during the period of incarceration.

## **FIDUCIARY FUNDS**

### **AGENCY FUNDS - Continued**

*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, 2008**

|                                    | Balance<br>Beginning<br>of Year | Additions           | Deletions           | Balance<br>End<br>of Year |
|------------------------------------|---------------------------------|---------------------|---------------------|---------------------------|
| <b>Clerk's Fine and Cost Fund</b>  |                                 |                     |                     |                           |
| Assets                             |                                 |                     |                     |                           |
| Cash                               | \$ 108,062                      | \$ 2,730,177        | \$ 2,722,948        | \$ 115,291                |
| Total assets                       | <u>\$ 108,062</u>               | <u>\$ 2,730,177</u> | <u>\$ 2,722,948</u> | <u>\$ 115,291</u>         |
| Liabilities                        |                                 |                     |                     |                           |
| Due to other governments           | \$ 108,062                      | \$ 2,730,177        | \$ 2,722,948        | \$ 115,291                |
| Total liabilities                  | <u>\$ 108,062</u>               | <u>\$ 2,730,177</u> | <u>\$ 2,722,948</u> | <u>\$ 115,291</u>         |
| <b>Clerk's Intangible Tax Fund</b> |                                 |                     |                     |                           |
| Assets                             |                                 |                     |                     |                           |
| Cash                               | \$ 214,512                      | \$ 2,024,579        | \$ 2,178,310        | \$ 60,781                 |
| Total assets                       | <u>\$ 214,512</u>               | <u>\$ 2,024,579</u> | <u>\$ 2,178,310</u> | <u>\$ 60,781</u>          |
| Liabilities                        |                                 |                     |                     |                           |
| Due to other governments           | \$ 214,512                      | \$ 2,024,579        | \$ 2,178,310        | \$ 60,781                 |
| Total liabilities                  | <u>\$ 214,512</u>               | <u>\$ 2,024,579</u> | <u>\$ 2,178,310</u> | <u>\$ 60,781</u>          |
| <b>Clerk's Court Registry Fund</b> |                                 |                     |                     |                           |
| Assets                             |                                 |                     |                     |                           |
| Cash                               | \$ 598,808                      | \$ 4,025,376        | \$ 3,802,723        | \$ 821,461                |
| Total assets                       | <u>\$ 598,808</u>               | <u>\$ 4,025,376</u> | <u>\$ 3,802,723</u> | <u>\$ 821,461</u>         |
| Liabilities                        |                                 |                     |                     |                           |
| Deposits                           | \$ 598,808                      | \$ 4,025,376        | \$ 3,802,723        | \$ 821,461                |
| Total liabilities                  | <u>\$ 598,808</u>               | <u>\$ 4,025,376</u> | <u>\$ 3,802,723</u> | <u>\$ 821,461</u>         |

Continued

**Santa Rosa County, Florida**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS**

**Year ended September 30, 2008**

|   | Balance<br>Beginning<br>of Year | Additions           | Deletions           | Balance<br>End<br>of Year |
|---|---------------------------------|---------------------|---------------------|---------------------------|
| <b>Clerk's State Documentary Stamp Fund</b> |                                 |                     |                     |                           |
| Assets                                      |                                 |                     |                     |                           |
| Cash  | \$ 873,562                      | \$ 8,873,912        | \$ 9,432,765        | \$ 314,709                |
| Total assets                                | <u>\$ 873,562</u>               | <u>\$ 8,873,912</u> | <u>\$ 9,432,765</u> | <u>\$ 314,709</u>         |
| Liabilities                                 |                                 |                     |                     |                           |
| Due to other governments                    | \$ 873,562                      | \$ 8,873,912        | \$ 9,432,765        | \$ 314,709                |
| Total liabilities                           | <u>\$ 873,562</u>               | <u>\$ 8,873,912</u> | <u>\$ 9,432,765</u> | <u>\$ 314,709</u>         |
| <b>Clerk's Suspense Fund</b>                |                                 |                     |                     |                           |
| Assets                                      |                                 |                     |                     |                           |
| Cash  | \$ 26,813                       | \$ 605,625          | \$ 561,783          | \$ 70,655                 |
| Total assets                                | <u>\$ 26,813</u>                | <u>\$ 605,625</u>   | <u>\$ 561,783</u>   | <u>\$ 70,655</u>          |
| Liabilities                                 |                                 |                     |                     |                           |
| Due to other governments                    | \$ 26,813                       | \$ 605,625          | \$ 561,783          | \$ 70,655                 |
| Total liabilities                           | <u>\$ 26,813</u>                | <u>\$ 605,625</u>   | <u>\$ 561,783</u>   | <u>\$ 70,655</u>          |
| <b>Clerk's Tax Redemption Fund</b>          |                                 |                     |                     |                           |
| Assets                                      |                                 |                     |                     |                           |
| Cash  | \$ 109,645                      | \$ 329,013          | \$ 379,317          | \$ 59,341                 |
| Total assets                                | <u>\$ 109,645</u>               | <u>\$ 329,013</u>   | <u>\$ 379,317</u>   | <u>\$ 59,341</u>          |
| Liabilities                                 |                                 |                     |                     |                           |
| Deposits                                    | \$ 109,645                      | \$ 329,013          | \$ 379,317          | \$ 59,341                 |
| Total liabilities                           | <u>\$ 109,645</u>               | <u>\$ 329,013</u>   | <u>\$ 379,317</u>   | <u>\$ 59,341</u>          |

Continued

**Santa Rosa County, Florida**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS**

**Year ended September 30, 2008**

|   | Balance<br>Beginning<br>of Year | Additions         | Deletions         | Balance<br>End<br>of Year |
|---|---------------------------------|-------------------|-------------------|---------------------------|
| <b>Clerk's State Witness and Juror Fund</b> |                                 |                   |                   |                           |
| Assets                                      |                                 |                   |                   |                           |
| Cash  | \$ --                           | \$ 66,535         | \$ 63,972         | \$ 2,563                  |
| Total assets                                | <u>\$ --</u>                    | <u>\$ 66,535</u>  | <u>\$ 63,972</u>  | <u>\$ 2,563</u>           |
| Liabilities                                 |                                 |                   |                   |                           |
| Accounts payable                            | \$ --                           | \$ 66,535         | \$ 63,972         | \$ 2,563                  |
| Total liabilities                           | <u>\$ --</u>                    | <u>\$ 66,535</u>  | <u>\$ 63,972</u>  | <u>\$ 2,563</u>           |
| <b>Clerk's Uniform Child Support Fund</b>   |                                 |                   |                   |                           |
| Assets                                      |                                 |                   |                   |                           |
| Cash  | \$ 901                          | \$ 374,990        | \$ 374,998        | \$ 893                    |
| Total assets                                | <u>\$ 901</u>                   | <u>\$ 374,990</u> | <u>\$ 374,998</u> | <u>\$ 893</u>             |
| Liabilities                                 |                                 |                   |                   |                           |
| Due to other governments                    | \$ 901                          | \$ 374,990        | \$ 374,998        | \$ 893                    |
| Total liabilities                           | <u>\$ 901</u>                   | <u>\$ 374,990</u> | <u>\$ 374,998</u> | <u>\$ 893</u>             |
| <b>Clerk's Ordinary Witness Fund</b>        |                                 |                   |                   |                           |
| Assets                                      |                                 |                   |                   |                           |
| Cash  | \$ --                           | \$ 57,939         | \$ 31,024         | \$ 26,915                 |
| Due from other governments                  | 11,889                          | --                | 11,889            | --                        |
| Total assets                                | <u>\$ 11,889</u>                | <u>\$ 57,939</u>  | <u>\$ 42,913</u>  | <u>\$ 26,915</u>          |
| Liabilities                                 |                                 |                   |                   |                           |
| Accounts payable                            | \$ 11,889                       | \$ 57,939         | \$ 42,913         | \$ 26,915                 |
| Total liabilities                           | <u>\$ 11,889</u>                | <u>\$ 57,939</u>  | <u>\$ 42,913</u>  | <u>\$ 26,915</u>          |

Continued

**Santa Rosa County, Florida**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS**

**Year ended September 30, 2008**

|                                 | Balance<br>Beginning<br>of Year | Additions             | Deletions             | Balance<br>End<br>of Year |
|---------------------------------|---------------------------------|-----------------------|-----------------------|---------------------------|
| <b>Clerk's Bail Bond Fund</b>   |                                 |                       |                       |                           |
| Assets                          |                                 |                       |                       |                           |
| Cash                            | \$ 609,654                      | \$ 590,540            | \$ 728,590            | \$ 471,604                |
| Total assets                    | <u>\$ 609,654</u>               | <u>\$ 590,540</u>     | <u>\$ 728,590</u>     | <u>\$ 471,604</u>         |
| Liabilities                     |                                 |                       |                       |                           |
| Deposits                        | \$ 609,654                      | \$ 590,540            | \$ 728,590            | \$ 471,604                |
| Total liabilities               | <u>\$ 609,654</u>               | <u>\$ 590,540</u>     | <u>\$ 728,590</u>     | <u>\$ 471,604</u>         |
| <b>Tax Collector's Tax Fund</b> |                                 |                       |                       |                           |
| Assets                          |                                 |                       |                       |                           |
| Cash                            | \$ 1,363,723                    | \$ 195,843,129        | \$ 195,860,032        | \$ 1,346,820              |
| Accounts receivable             | 62,852                          | 16,957,088            | 16,955,348            | 64,592                    |
| Total assets                    | <u>\$ 1,426,575</u>             | <u>\$ 212,800,217</u> | <u>\$ 212,815,380</u> | <u>\$ 1,411,412</u>       |
| Liabilities                     |                                 |                       |                       |                           |
| Deposits                        | \$ 600                          | \$ --                 | \$ 600                | \$ --                     |
| Due to other governments        | 1,390,624                       | 140,709,714           | 140,712,943           | 1,387,395                 |
| Miscellaneous                   | 35,351                          | 5,989,733             | 6,001,067             | 24,017                    |
| Total liabilities               | <u>\$ 1,426,575</u>             | <u>\$ 146,699,447</u> | <u>\$ 146,714,610</u> | <u>\$ 1,411,412</u>       |

Continued

**Santa Rosa County, Florida**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS**

**Year ended September 30, 2008**

|   | Balance<br>Beginning<br>of Year | Additions         | Deletions         | Balance<br>End<br>of Year |
|---|---------------------------------|-------------------|-------------------|---------------------------|
| <b>Sheriff's Individual Depositors Fund</b> |                                 |                   |                   |                           |
| Assets                                      |                                 |                   |                   |                           |
| Cash  | \$ --                           | \$ 121,099        | \$ 121,099        | \$ --                     |
| Accounts receivable                         | --                              | 60                | 60                | --                        |
| <b>Total assets</b>                         | <b>\$ --</b>                    | <b>\$ 121,159</b> | <b>\$ 121,159</b> | <b>\$ --</b>              |
| Liabilities                                 |                                 |                   |                   |                           |
| Deposits                                    | \$ --                           | \$ 118,776        | \$ 118,776        | \$ --                     |
| Due to other governments                    | --                              | 118,359           | 118,359           | --                        |
| <b>Total liabilities</b>                    | <b>\$ --</b>                    | <b>\$ 237,135</b> | <b>\$ 237,135</b> | <b>\$ --</b>              |
| <b>Sheriff's Suspense Fund</b>              |                                 |                   |                   |                           |
| Assets                                      |                                 |                   |                   |                           |
| Cash  | \$ 20,478                       | \$ 330,096        | \$ 319,152        | 31,422                    |
| <b>Total assets</b>                         | <b>\$ 20,478</b>                | <b>\$ 330,096</b> | <b>\$ 319,152</b> | <b>\$ 31,422</b>          |
| Liabilities                                 |                                 |                   |                   |                           |
| Accounts payable                            | \$ 20,478                       | \$ 287,337        | \$ 276,393        | \$ 31,422                 |
| Deposits                                    | --                              | 274,620           | 274,620           | --                        |
| Due to other governments                    | --                              | 1,373             | 1,373             | --                        |
| <b>Total liabilities</b>                    | <b>\$ 20,478</b>                | <b>\$ 563,330</b> | <b>\$ 552,386</b> | <b>\$ 31,422</b>          |
| <b>Sheriff's Prisoner's Personal Fund</b>   |                                 |                   |                   |                           |
| Assets                                      |                                 |                   |                   |                           |
| Cash  | \$ 13,370                       | \$ 72,638         | \$ 86,008         | \$ --                     |
| <b>Total assets</b>                         | <b>\$ 13,370</b>                | <b>\$ 72,638</b>  | <b>\$ 86,008</b>  | <b>\$ --</b>              |
| Liabilities                                 |                                 |                   |                   |                           |
| Deposits                                    | \$ 13,370                       | \$ --             | \$ 13,370         | \$ --                     |
| <b>Total liabilities</b>                    | <b>\$ 13,370</b>                | <b>\$ --</b>      | <b>\$ 13,370</b>  | <b>\$ --</b>              |

Continued

**Santa Rosa County, Florida**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS**

**Year ended September 30, 2008**

|                               | Balance<br>Beginning<br>of Year | Additions             | Deletions             | Balance<br>End<br>of Year |
|-------------------------------|---------------------------------|-----------------------|-----------------------|---------------------------|
| <b>Sheriff's Seizure Fund</b> |                                 |                       |                       |                           |
| Assets                        |                                 |                       |                       |                           |
| Cash                          | \$ 21,171                       | \$ 78,506             | \$ 29,224             | \$ 70,453                 |
| Total assets                  | <u>\$ 21,171</u>                | <u>\$ 78,506</u>      | <u>\$ 29,224</u>      | <u>\$ 70,453</u>          |
| Liabilities                   |                                 |                       |                       |                           |
| Accounts payable              | \$ --                           | \$ 28,705             | \$ 28,705             | \$ --                     |
| Deposits                      | 21,171                          | 76,322                | 27,040                | 70,453                    |
| Due to other governments      | --                              | 25,199                | 25,199                | --                        |
| Total liabilities             | <u>\$ 21,171</u>                | <u>\$ 130,226</u>     | <u>\$ 80,944</u>      | <u>\$ 70,453</u>          |
| <b>Sheriff's Flower Fund</b>  |                                 |                       |                       |                           |
| Assets                        |                                 |                       |                       |                           |
| Cash                          | \$ 10,607                       | \$ 3,092              | \$ 3,255              | \$ 10,444                 |
| Total assets                  | <u>\$ 10,607</u>                | <u>\$ 3,092</u>       | <u>\$ 3,255</u>       | <u>\$ 10,444</u>          |
| Liabilities                   |                                 |                       |                       |                           |
| Deposits                      | \$ 10,607                       | \$ 3,092              | \$ 3,255              | \$ 10,444                 |
| Total liabilities             | <u>\$ 10,607</u>                | <u>\$ 3,092</u>       | <u>\$ 3,255</u>       | <u>\$ 10,444</u>          |
| <b>TOTAL AGENCY FUNDS</b>     |                                 |                       |                       |                           |
| Assets                        |                                 |                       |                       |                           |
| Cash                          | 3,971,306                       | \$ 216,127,246        | \$ 216,695,200        | \$ 3,403,352              |
| Accounts receivable           | 62,852                          | 16,957,148            | 16,955,408            | 64,592                    |
| Due from other governments    | 11,889                          | --                    | 11,889                | --                        |
| Total assets                  | <u>\$ 4,046,047</u>             | <u>\$ 233,084,394</u> | <u>\$ 233,662,497</u> | <u>\$ 3,467,944</u>       |
| Liabilities                   |                                 |                       |                       |                           |
| Accounts payable              | \$ 32,367                       | \$ 440,516            | \$ 411,983            | \$ 60,900                 |
| Deposits                      | 1,363,855                       | 5,417,739             | 5,348,291             | 1,433,303                 |
| Due to other governments      | 2,614,474                       | 155,463,928           | 156,128,678           | 1,949,724                 |
| Miscellaneous                 | 35,351                          | 5,989,733             | 6,001,067             | 24,017                    |
| Total liabilities             | <u>\$ 4,046,047</u>             | <u>\$ 167,311,916</u> | <u>\$ 167,890,019</u> | <u>\$ 3,467,944</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.

| <b>Contents</b>   | <b>Page</b> |
|---|-------------|
| Financial Trends<br>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.   | 104         |
| Revenue Capacity<br>These schedules contain information to help the reader assess the governments most significant local revenue source, the property tax.  | 110         |
| Debt Capacity<br>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.                            | 114         |
| Demographic and Economic Information<br>These schedules offer demographic and economic indicators to help the reader understand the environment which the government's financial activities take place.   | 117         |
| Operating Information<br>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. | 119         |

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 ASSETS BY CATEGORY**  
**LAST SEVEN FISCAL YEARS**  
**(UNAUDITED)**  
**(accrual basis of accounting)**

|   | Fiscal Year          |                      |                      |                      |                      |                       |                       |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|
|   | 2002                 | 2003                 | 2004                 | 2005                 | 2006                 | 2007                  | 2008                  |
| Governmental activities                         |                      |                      |                      |                      |                      |                       |                       |
| Invested in capital assets, net of related debt | \$ 34,623,877        | \$ 40,551,884        | \$ 45,823,493        | \$ 45,515,267        | \$ 62,346,144        | \$ 131,252,842        | \$ 133,388,166        |
| Restricted                                      | 10,142,596           | 10,963,543           | 10,215,969           | 21,444,830           | 11,871,901           | 12,900,114            | 12,598,760            |
| Unrestricted                                    | 22,577,063           | 17,630,324           | 15,950,292           | 1,359,506            | 8,028,362            | 14,434,867            | 22,597,572            |
| Governmental activities net assets              | <u>67,343,536</u>    | <u>69,145,751</u>    | <u>71,989,754</u>    | <u>68,319,603</u>    | <u>82,246,407</u>    | <u>158,587,823</u>    | <u>168,584,498</u>    |
| Business-type activities                        |                      |                      |                      |                      |                      |                       |                       |
| Invested in capital assets, net of related debt | 5,117,928            | 5,765,008            | 6,857,676            | 6,590,386            | 15,040,746           | 8,298,508             | 11,705,307            |
| Restricted                                      | 1,796,630            | 1,187,153            | 1,278,805            | 1,409,271            | 1,520,926            | 3,109,163             | 3,355,280             |
| Unrestricted                                    | 1,058,917            | 2,221,197            | 3,193,744            | 4,248,005            | 223,822              | 97,179                | (3,249,271)           |
| Business-type activities net assets             | <u>7,973,475</u>     | <u>9,173,358</u>     | <u>11,330,225</u>    | <u>12,247,662</u>    | <u>16,785,494</u>    | <u>11,504,850</u>     | <u>11,811,316</u>     |
| Primary Government                              |                      |                      |                      |                      |                      |                       |                       |
| Invested in capital assets, net of related debt | 39,741,805           | 46,316,892           | 52,681,169           | 52,105,653           | 77,386,890           | 139,551,350           | 145,093,473           |
| Restricted                                      | 11,939,226           | 12,150,696           | 11,494,774           | 22,854,101           | 13,392,827           | 16,009,277            | 15,954,040            |
| Unrestricted                                    | 23,635,980           | 19,851,521           | 19,144,036           | 5,607,511            | 8,252,184            | 14,532,046            | 19,348,301            |
| Primary government net assets                   | <u>\$ 75,317,011</u> | <u>\$ 78,319,109</u> | <u>\$ 83,319,979</u> | <u>\$ 80,567,265</u> | <u>\$ 99,031,901</u> | <u>\$ 170,092,673</u> | <u>\$ 180,395,814</u> |

Information is not available for previous years.

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

|                                | Fiscal Year          |                      |                      |                       |                       |                       |                       |
|--------------------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                | 2002                 | 2003                 | 2004                 | 2005                  | 2006                  | 2007                  | 2008                  |
| <b>Expenses</b>                |                      |                      |                      |                       |                       |                       |                       |
| Governmental activities:       |                      |                      |                      |                       |                       |                       |                       |
| General government             | \$ 24,302,280        | \$ 28,304,236        | \$ 24,180,843        | \$ 32,404,396         | \$ 30,162,570         | \$ 34,196,261         | \$ 33,627,656         |
| Public safety                  | 25,776,713           | 26,396,766           | 30,503,278           | 102,785,102           | 44,251,612            | 48,884,722            | 46,286,380            |
| Physical environment           | 889,513              | 1,155,614            | 1,586,943            | 2,995,824             | 21,244,608            | 6,988,941             | 2,963,362             |
| Transportation                 | 13,035,888           | 12,116,958           | 14,334,831           | 14,417,056            | 17,989,729            | 16,513,892            | 19,775,619            |
| Economic environment           | 1,727,779            | 1,675,978            | 1,802,557            | 1,918,019             | 3,223,381             | 9,328,158             | 5,018,423             |
| Human services                 | 3,251,959            | 3,960,294            | 3,904,708            | 4,066,084             | 4,258,406             | 4,522,251             | 4,209,362             |
| Culture and recreation         | 1,912,880            | 2,371,398            | 2,392,743            | 2,608,072             | 3,912,067             | 3,290,952             | 2,281,334             |
| Interest on long-term debt     | 351,519              | 316,949              | 390,678              | 347,376               | 433,302               | 446,815               | 516,752               |
| Total governmental activities  | <u>71,248,531</u>    | <u>76,298,193</u>    | <u>79,096,581</u>    | <u>161,541,929</u>    | <u>125,475,675</u>    | <u>124,171,992</u>    | <u>114,678,888</u>    |
| Business-type activities:      |                      |                      |                      |                       |                       |                       |                       |
| Navarre Beach water and sewer  | 1,469,750            | 1,476,873            | 1,104,198            | 996,186               | 1,680,122             | 1,865,563             | 2,731,219             |
| Peter Prince Airport           | 264,620              | 216,269              | 226,410              | 212,532               | 217,809               | 225,644               | 339,894               |
| Industrial park*               | 38,307               | 48,433               | 129,098              | 42,648                | 84,053                | -                     | -                     |
| Landfill                       | 2,176,668            | 1,934,363            | 2,154,994            | 2,832,505             | 3,067,074             | 3,767,481             | 4,046,622             |
| Total business-type activities | <u>3,949,345</u>     | <u>3,675,938</u>     | <u>3,614,700</u>     | <u>4,083,871</u>      | <u>5,049,058</u>      | <u>5,858,688</u>      | <u>7,117,735</u>      |
| Total government expenses      | <u>\$ 75,197,876</u> | <u>\$ 79,974,131</u> | <u>\$ 82,711,281</u> | <u>\$ 165,625,800</u> | <u>\$ 130,524,733</u> | <u>\$ 130,030,680</u> | <u>\$ 121,796,623</u> |

Information is not available for previous years.

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

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

|   | Fiscal Year            |                        |                        |                        |                        |                        |                        |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|   | 2002                   | 2003                   | 2004                   | 2005                   | 2006                   | 2007                   | 2008                   |
| <b>Program Revenues</b>                       |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities:                      |                        |                        |                        |                        |                        |                        |                        |
| Charges for services:                         |                        |                        |                        |                        |                        |                        |                        |
| General government                            | \$ 10,743,239          | \$ 13,752,341          | \$ 14,343,284          | \$ 12,755,692          | \$ 9,412,008           | \$ 16,836,144          | \$ 15,416,507          |
| Public safety                                 | 4,696,479              | 4,927,102              | 4,995,028              | 8,698,781              | 8,542,621              | 4,477,969              | 6,471,548              |
| Physical environment                          | -                      | -                      | -                      | -                      | 1,033,640              | 1,013,842              | 1,037,211              |
| Transportation                                | 209,332                | 363,708                | 449,299                | 488,063                | 552,529                | 7,739,139              | 730,496                |
| Human services                                | 36,385                 | 41,169                 | 38,912                 | 66,354                 | 43,421                 | 49,944                 | 42,266                 |
| Culture and recreation                        | 19,060                 | 16,640                 | 17,313                 | 15,495                 | 31,330                 | 31,190                 | 37,548                 |
| Operating grants and contributions            | 5,375,913              | 10,297,455             | 8,500,069              | 69,710,498             | 31,813,430             | 25,140,005             | 15,697,588             |
| Capital grants and contributions              | 319,910                | 574,484                | 372,884                | 795,627                | 2,999,965              | 666,566                | 3,858,157              |
| Total governmental activities program revenue | <u>21,400,318</u>      | <u>29,972,899</u>      | <u>28,716,789</u>      | <u>92,530,510</u>      | <u>54,428,944</u>      | <u>55,954,799</u>      | <u>43,291,321</u>      |
| Business-type activities:                     |                        |                        |                        |                        |                        |                        |                        |
| Charges for services:                         |                        |                        |                        |                        |                        |                        |                        |
| Navarre Beach water and sewer                 | 1,628,798              | 1,494,096              | 2,001,050              | 894,460                | 1,518,379              | 1,925,069              | 1,846,469              |
| Peter Prince Airport                          | 158,057                | 161,383                | 152,539                | 4,845                  | 101,056                | 147,526                | 134,995                |
| Industrial park                               | -                      | 3,843                  | -                      | -                      | -                      | -                      | -                      |
| Landfill                                      | 1,964,727              | 2,105,895              | 2,366,936              | 3,826,798              | 4,071,809              | 3,982,407              | 4,048,874              |
| Operating grants and contributions            | 8,162                  | -                      | -                      | -                      | -                      | -                      | -                      |
| Capital grants and contributions              | -                      | -                      | 495,538                | 84,061                 | 882,836                | 406,294                | 965,150                |
| Total business-type activities                | <u>3,759,744</u>       | <u>3,765,217</u>       | <u>5,016,063</u>       | <u>4,810,164</u>       | <u>6,574,080</u>       | <u>6,461,296</u>       | <u>6,995,488</u>       |
| Total government program revenues             | <u>\$ 25,160,062</u>   | <u>\$ 33,738,116</u>   | <u>\$ 33,732,852</u>   | <u>\$ 97,340,674</u>   | <u>\$ 61,003,024</u>   | <u>\$ 62,416,095</u>   | <u>\$ 50,286,809</u>   |
| <b>Net (Expense)/Revenue</b>                  |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities                       | \$ (49,848,213)        | \$ (46,325,294)        | \$ (50,379,792)        | \$ (69,011,419)        | \$ (71,046,731)        | \$ (68,217,193)        | \$ (71,387,567)        |
| Business-type activities                      | (189,601)              | 89,279                 | 1,401,363              | 726,293                | 1,525,022              | 602,608                | (122,247)              |
| Total government net expense                  | <u>\$ (50,037,814)</u> | <u>\$ (46,236,015)</u> | <u>\$ (48,978,429)</u> | <u>\$ (68,285,126)</u> | <u>\$ (69,521,709)</u> | <u>\$ (67,614,585)</u> | <u>\$ (71,509,814)</u> |

Information is not available for previous years.

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

|   | Fiscal Year           |                      |                      |                       |                      |                      |                      |
|---|-----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|
|   | 2002                  | 2003                 | 2004                 | 2005                  | 2006                 | 2007                 | 2008                 |
| <b>General Revenues and Other Changes in Net Assets</b> |                       |                      |                      |                       |                      |                      |                      |
| Governmental activities:                                |                       |                      |                      |                       |                      |                      |                      |
| Taxes   |                       |                      |                      |                       |                      |                      |                      |
| Property taxes  | \$ 29,348,811         | \$ 31,385,880        | \$ 33,898,557        | \$ 37,443,870         | \$ 44,800,919        | \$ 56,309,485        | \$ 54,443,406        |
| Sales, use and fuel taxes                               | 3,752,130             | 4,017,127            | 4,321,621            | 4,593,266             | 4,516,841            | 4,917,103            | 4,720,820            |
| Franchise fees  | -                     | -                    | -                    | -                     | 4,643,093            | 5,110,630            | 5,224,408            |
| Communication services taxes                            | 813,038               | 1,173,259            | 1,093,224            | 1,120,137             | 1,296,325            | 1,274,401            | 1,418,106            |
| Unrestricted grants and contributions                   | 10,323,592            | 10,820,587           | 11,711,188           | 14,120,030            | 13,702,771           | 12,675,378           | 12,562,005           |
| Unrestricted investment earnings                        | 1,301,060             | 830,064              | 719,350              | 724,762               | 2,282,469            | 3,516,658            | 2,028,081            |
| Miscellaneous   | 849,027               | 382,703              | 1,291,002            | 6,875,985             | 1,390,820            | 1,493,763            | 747,062              |
| Gain on sale of assets                                  | 17,840                | -                    | 312,310              | -                     | 301,568              | 376,002              | 240,354              |
| Transfers   | 2,613,698             | (482,111)            | (123,457)            | 463,217               | (2,222,423)          | -                    | -                    |
| Total governmental activities                           | <u>49,019,196</u>     | <u>48,127,509</u>    | <u>53,223,795</u>    | <u>65,341,267</u>     | <u>70,712,383</u>    | <u>85,673,420</u>    | <u>81,384,242</u>    |
| Business-type activities:                               |                       |                      |                      |                       |                      |                      |                      |
| Unrestricted grants and contributions                   | -                     | 84,800               | -                    | -                     | -                    | -                    | -                    |
| Unrestricted investment earnings                        | 289,502               | 227,763              | 214,695              | 322,828               | 527,237              | 439,343              | 276,965              |
| Miscellaneous   | 135,992               | 256,243              | 289,824              | 389,890               | 195,326              | 79,583               | 22,409               |
| Gain on sale of assets                                  | 224,355               | 14,154               | 127,528              | 77,788                | 67,824               | 260,557              | 287,053              |
| Transfers   | (2,613,698)           | 482,111              | 123,457              | (463,217)             | 2,222,423            | -                    | (157,714)            |
| Total business-type activities                          | <u>(1,963,849)</u>    | <u>1,065,071</u>     | <u>755,504</u>       | <u>327,289</u>        | <u>3,012,810</u>     | <u>779,483</u>       | <u>428,713</u>       |
| Total government  | <u>\$ 47,055,347</u>  | <u>\$ 49,192,580</u> | <u>\$ 53,979,299</u> | <u>\$ 65,668,556</u>  | <u>\$ 73,725,193</u> | <u>\$ 86,452,903</u> | <u>\$ 81,812,955</u> |
| <b>Change in Net Assets</b>                             |                       |                      |                      |                       |                      |                      |                      |
| Governmental activities                                 | \$ (829,017)          | \$ 1,802,215         | \$ 2,844,003         | \$ (3,670,152)        | \$ (334,348)         | \$ 17,456,227        | \$ 9,996,675         |
| Business-type activities                                | (2,153,450)           | 1,154,350            | 2,156,867            | 1,053,582             | 4,537,832            | 1,382,091            | 306,466              |
| Total government  | <u>\$ (2,982,467)</u> | <u>\$ 2,956,565</u>  | <u>\$ 5,000,870</u>  | <u>\$ (2,616,570)</u> | <u>\$ 4,203,484</u>  | <u>\$ 18,838,318</u> | <u>\$ 10,303,141</u> |

Information is not available for previous years.

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

|                                    | Fiscal Year          |                      |                      |                      |                      |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                    | 1999                 | 2000                 | 2001                 | 2002                 | 2003                 |
| General Fund                       |                      |                      |                      |                      |                      |
| Reserved                           | \$ 582,562           | \$ 782,569           | \$ 1,110,019         | \$ 1,398,118         | \$ 1,195,517         |
| Unreserved                         | 8,911,087            | 8,554,704            | 7,904,274            | 9,340,503            | 7,199,067            |
| Total general fund                 | <u>\$ 9,493,649</u>  | <u>\$ 9,337,273</u>  | <u>\$ 9,014,293</u>  | <u>\$ 10,738,621</u> | <u>\$ 8,394,584</u>  |
| All Other Governmental Funds       |                      |                      |                      |                      |                      |
| Reserved                           | \$ 9,277,690         | \$ 8,592,365         | \$ 9,154,978         | \$ 10,456,135        | \$ 10,829,565        |
| Unreserved, reported in:           |                      |                      |                      |                      |                      |
| Special revenue funds              | 18,130,356           | 19,111,096           | 22,208,555           | 17,603,905           | 18,621,705           |
| Capital project funds              | 5,377,049            | 5,025,950            | 3,482,385            | 2,996,372            | 2,713,407            |
| Debt service funds                 | -                    | -                    | -                    | -                    | 27,355               |
| Total all other governmental funds | <u>\$ 32,785,095</u> | <u>\$ 32,729,411</u> | <u>\$ 34,845,918</u> | <u>\$ 31,056,412</u> | <u>\$ 32,192,032</u> |
|                                    |                      |                      |                      |                      |                      |
|                                    | Fiscal Year          |                      |                      |                      |                      |
|                                    | 2004                 | 2005                 | 2006                 | 2007                 | 2008                 |
| General Fund                       |                      |                      |                      |                      |                      |
| Reserved                           | \$ 1,139,936         | \$ 1,335,731         | \$ 1,516,523         | \$ 1,488,653         | \$ 1,588,445         |
| Unreserved                         | 6,924,343            | 8,532,278            | 8,038,956            | 7,579,956            | 12,063,602           |
| Total general fund                 | <u>\$ 8,064,279</u>  | <u>\$ 9,868,009</u>  | <u>\$ 9,555,479</u>  | <u>\$ 9,068,609</u>  | <u>\$ 13,652,047</u> |
| All Other Governmental Funds       |                      |                      |                      |                      |                      |
| Reserved                           | \$ 8,765,462         | \$ 8,314,633         | \$ 11,015,008        | \$ 12,535,252        | \$ 12,210,513        |
| Unreserved, reported in:           |                      |                      |                      |                      |                      |
| Special revenue funds              | 20,647,018           | 17,654,909           | 17,457,858           | 16,943,175           | 22,998,107           |
| Capital project funds              | 2,256,373            | 1,777,901            | 2,799,153            | 136,328              | 93,726               |
| Debt service funds                 | 37,039               | 53,046               | 2,652                | 5,412,472            | 4,137,869            |
| Permanent fund*                    | -                    | -                    | -                    | 34,135               | 131,438              |
| Total all other governmental funds | <u>\$ 31,705,892</u> | <u>\$ 27,800,489</u> | <u>\$ 31,274,671</u> | <u>\$ 35,061,362</u> | <u>\$ 39,571,653</u> |

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

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

|  | 1999                | 2000                | 2001                | 2002                  | 2003                  | 2004                | 2005                  | 2006                | 2007                | 2008                |
|--|---------------------|---------------------|---------------------|-----------------------|-----------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>  |                     |                     |                     |                       |                       |                     |                       |                     |                     |                     |
| Taxes  | \$ 32,424,011       | \$ 32,728,308       | \$ 35,258,100       | \$ 37,141,140         | \$ 40,625,553         | \$ 43,139,717       | \$ 47,404,610         | \$ 55,257,178       | \$ 67,611,619       | \$ 65,806,740       |
| Licenses and permits                                       | 1,624,647           | 1,418,463           | 1,445,043           | 1,597,969             | 2,205,200             | 2,567,340           | 3,252,522             | 2,581,246           | 2,402,048           | 1,630,515           |
| Intergovernmental  | 15,093,541          | 15,123,785          | 14,672,667          | 15,952,777            | 18,494,114            | 20,334,974          | 84,223,176            | 45,806,787          | 37,471,474          | 29,874,539          |
| Charges for services                                       | 4,391,866           | 5,279,061           | 4,567,518           | 5,381,469             | 5,898,038             | 7,380,990           | 8,924,540             | 9,714,453           | 16,061,045          | 11,514,082          |
| Fines and forfeitures                                      | 1,694,839           | 1,841,133           | 1,585,642           | 1,715,348             | 1,274,520             | 1,053,470           | 278,912               | 332,595             | 359,746             | 1,240,444           |
| Miscellaneous  | 3,563,913           | 4,589,533           | 4,949,176           | 4,449,388             | 4,718,427             | 4,991,978           | 5,261,456             | 11,070,628          | 14,616,897          | 11,482,484          |
| Total revenues   | <u>58,792,817</u>   | <u>60,980,283</u>   | <u>62,478,146</u>   | <u>66,238,091</u>     | <u>73,215,852</u>     | <u>79,468,469</u>   | <u>149,345,216</u>    | <u>124,762,887</u>  | <u>138,522,829</u>  | <u>121,548,804</u>  |
| <b>Expenditures</b>  |                     |                     |                     |                       |                       |                     |                       |                     |                     |                     |
| General government   | 14,363,278          | 14,994,681          | 17,414,108          | 20,269,695            | 24,264,019            | 22,252,708          | 21,800,502            | 24,257,282          | 29,966,646          | 27,810,341          |
| Public safety  | 22,094,683          | 24,488,002          | 21,365,156          | 25,365,990            | 26,588,351            | 31,888,919          | 102,311,442           | 45,424,552          | 49,567,656          | 45,966,642          |
| Physical environment                                       | 1,579,035           | 882,636             | 752,154             | 856,818               | 1,126,744             | 1,508,205           | 2,926,651             | 21,197,605          | 6,992,161           | 2,376,837           |
| Transportation   | 8,707,863           | 10,314,645          | 9,196,676           | 12,165,208            | 11,894,667            | 14,145,696          | 14,147,226            | 17,963,523          | 22,819,569          | 20,240,520          |
| Economic environment                                       | 1,066,532           | 1,341,354           | 1,731,142           | 1,721,145             | 1,668,839             | 1,828,889           | 1,914,362             | 3,248,268           | 11,771,820          | 6,431,343           |
| Human services   | 2,752,466           | 3,102,407           | 3,693,235           | 3,146,691             | 3,823,704             | 3,751,579           | 4,071,963             | 4,177,374           | 4,506,415           | 4,112,816           |
| Culture and recreation                                     | 1,325,066           | 1,592,031           | 1,300,743           | 1,815,920             | 2,178,760             | 1,968,404           | 2,212,273             | 3,722,773           | 3,647,177           | 2,943,157           |
| Capital outlay   | 4,504,434           | 3,243,292           | 4,581,487           | 3,419,806             | 1,877,874             | 5,457,868           | 942,948               | 2,268,979           | 3,514,408           | 3,160,826           |
| Debt service   |                     |                     |                     |                       |                       |                     |                       |                     |                     |                     |
| Principal  | 2,142,155           | 863,846             | 1,303,801           | 921,528               | 521,917               | 1,694,290           | 1,852,083             | 2,321,092           | 2,255,765           | 1,988,110           |
| Interest   | 710,694             | 680,791             | 550,067             | 351,519               | 316,949               | 390,678             | 347,376               | 433,302             | 494,321             | 516,363             |
| Total expenditures   | <u>59,246,206</u>   | <u>61,503,685</u>   | <u>61,888,569</u>   | <u>70,034,320</u>     | <u>74,261,824</u>     | <u>84,887,236</u>   | <u>152,526,826</u>    | <u>125,014,750</u>  | <u>135,535,938</u>  | <u>115,546,955</u>  |
| Excess of revenues over (under) expenditures               | (453,389)           | (523,402)           | 589,577             | (3,796,229)           | (1,045,972)           | (5,418,767)         | (3,181,610)           | (251,863)           | 2,986,891           | 6,001,849           |
| <b>Other financing sources (uses)</b>                      |                     |                     |                     |                       |                       |                     |                       |                     |                     |                     |
| Transfers in   | 7,013,899           | 3,695,161           | 26,758,890          | 4,591,661             | 28,883,052            | 33,751,807          | 9,174,366             | 9,577,901           | 13,252,252          | 6,826,893           |
| Transfers out  | (7,053,899)         | (3,858,466)         | (26,729,291)        | (4,614,611)           | (30,443,436)          | (33,985,681)        | (8,711,149)           | (11,800,324)        | (16,914,227)        | (6,826,893)         |
| New debt issue   | 2,664,000           | 8,143,507           | 1,115,146           | 164,000               | 363,500               | 4,600,000           | 747,000               | 5,725,000           | 1,695,970           | 3,012,232           |
| New capital lease  | -                   | -                   | -                   | -                     | -                     | 236,196             | -                     | -                   | -                   | -                   |
| Refunding debt   | -                   | -                   | 3,430,000           | -                     | 3,023,154             | 575,000             | -                     | -                   | -                   | -                   |
| Payments to escrow agent                                   | -                   | -                   | (3,357,843)         | -                     | (3,023,154)           | (575,000)           | -                     | -                   | -                   | -                   |
| Total other financing sources (uses)                       | <u>2,624,000</u>    | <u>7,980,202</u>    | <u>1,216,902</u>    | <u>141,050</u>        | <u>(1,196,884)</u>    | <u>4,602,322</u>    | <u>1,210,217</u>      | <u>3,502,577</u>    | <u>(1,966,005)</u>  | <u>3,012,232</u>    |
| Net change in fund balances                                | <u>\$ 2,170,611</u> | <u>\$ 7,456,800</u> | <u>\$ 1,806,479</u> | <u>\$ (3,655,179)</u> | <u>\$ (2,242,856)</u> | <u>\$ (816,445)</u> | <u>\$ (1,971,393)</u> | <u>\$ 3,250,714</u> | <u>\$ 1,020,886</u> | <u>\$ 9,014,081</u> |
| Debt service as a percentage of<br>noncapital expenditures | 5%                  | 3%                  | 3%                  | 2%                    | 1%                    | 3%                  | 1%                    | 2%                  | 2%                  | 2%                  |

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

| <b>FISCAL YEAR</b> | <b>Real Property</b> | <b>Personal Property</b> | <b>REAL PROPERTY EXEMPTIONS</b> | <b>PERSONAL PROPERTY EXEMPTIONS</b> | <b>Less: Tax Exempt Property</b> | <b>REAL PROPERTY TAXABLE VALUE</b> | <b>PERSONAL PROPERTY TAXABLE VALUE</b> | <b>TOTAL JUST VALUE</b> | <b>Total Taxable Assessed Value</b> | <b>Total Direct Tax Rate</b> |
|--------------------|----------------------|--------------------------|---------------------------------|-------------------------------------|----------------------------------|------------------------------------|--|-------------------------|-------------------------------------|------------------------------|
| 1999               | \$ 5,425,959,917     | \$ 439,701,420           | \$ 2,029,878,422                | \$ 38,707,940                       | \$ 2,068,586,362                 | \$ 3,396,081,495                   | \$ 400,993,480                         | \$ 5,865,661,337        | \$ 3,797,074,975                    | 6.9720                       |
| 2000               | \$ 5,929,891,976     | \$ 424,630,539           | \$ 2,172,556,932                | \$ 21,824,683                       | \$ 2,194,381,615                 | \$ 3,757,335,044                   | \$ 402,805,856                         | \$ 6,354,522,515        | \$ 4,160,140,900                    | 6.9720                       |
| 2001               | \$ 6,230,909,341     | \$ 389,639,532           | \$ 2,047,324,355                | \$ 16,146,758                       | \$ 2,063,471,113                 | \$ 4,183,584,986                   | \$ 373,492,774                         | \$ 6,620,548,873        | \$ 4,557,077,760                    | 6.6175                       |
| 2002               | \$ 6,684,998,175     | \$ 463,271,229           | \$ 2,131,641,295                | \$ 1,313,533                        | \$ 2,132,954,828                 | \$ 4,553,356,880                   | \$ 461,957,696                         | \$ 7,148,269,404        | \$ 5,015,314,576                    | 6.6175                       |
| 2003               | \$ 7,305,016,073     | \$ 539,581,021           | \$ 2,385,092,305                | \$ 15,702,041                       | \$ 2,400,794,346                 | \$ 4,919,923,768                   | \$ 523,878,980                         | \$ 7,844,597,094        | \$ 5,443,802,748                    | 6.6175                       |
| 2004               | \$ 8,350,440,380     | \$ 592,201,813           | \$ 2,861,106,455                | \$ 148,319,926                      | \$ 3,009,426,381                 | \$ 5,489,333,925                   | \$ 443,881,887                         | \$ 8,942,642,193        | \$ 5,933,215,812                    | 6.6175                       |
| 2005               | \$ 10,264,958,128    | \$ 556,909,138           | \$ 4,162,364,453                | \$ 83,751,873                       | \$ 4,246,116,326                 | \$ 6,102,593,675                   | \$ 473,157,265                         | \$ 10,821,867,266       | \$ 6,575,750,940                    | 6.6175                       |
| 2006               | \$ 13,830,161,078    | \$ 584,404,354           | \$ 5,481,390,646                | \$ 70,484,078                       | \$ 5,551,874,724                 | \$ 8,348,770,432                   | \$ 513,920,276                         | \$ 14,414,565,432       | \$ 8,862,690,708                    | 6.6175                       |
| 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                       |

Source: Property Appraiser, Santa Rosa County

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

| <b>YEAR</b> | <b>SANTA ROSA COUNTY<br/>OPERATING<br/>MILLAGE</b> | <b>SCHOOL BOARD<br/>OPERATING<br/>MILLAGE</b> | <b>CITY OF GULF BREEZE<br/>OPERATING<br/>MILLAGE</b> | <b>CITY OF MILTON<br/>OPERATING<br/>MILLAGE</b> | <b>CITY OF JAY<br/>OPERATING<br/>MILLAGE</b> | <b>AVALON-MULAT<br/>FIRE DISTRICT<br/>MILLAGE</b> | <b>MIDWAY<br/>FIRE DISTRICT<br/>MILLAGE</b> | <b>HOLLEY NAVARRE<br/>LIBRARY<br/>MILLAGE</b> | <b>NW FLORIDA<br/>WATER<br/>MANAGEMENT<br/>MILLAGE</b> | <b>TOTAL<br/>MILLAGE</b> |
|-------------|--|---|--|---|--|---|---|---|--|--------------------------|
| 1999        | 6.9720   | 8.1030  | 1.8300   | 2.7500  | 2.0000                                       | 0.8000  | 0.4000                                      | -   | 0.0500   | 22.9050                  |
| 2000        | 6.9720   | 8.1170  | 1.8300   | 2.7500  | 2.0000                                       | 0.8000  | 0.4000                                      | -   | 0.0500   | 22.9190                  |
| 2001        | 6.6175   | 7.8250  | 1.8300   | 2.7500  | 2.0000                                       | 0.8000  | 0.9500                                      | -   | 0.0500   | 22.8225                  |
| 2002        | 6.6175   | 7.9900  | 1.8300   | 2.7500  | 2.0000                                       | 0.8000  | 0.9500                                      | -   | 0.0500   | 22.9875                  |
| 2003        | 6.6175   | 7.9400  | 1.9000   | 2.7500  | 2.0000                                       | 0.8000  | 0.9500                                      | -   | 0.0500   | 23.0075                  |
| 2004        | 6.6175   | 7.7510  | 1.9000   | 2.7500  | 2.0000                                       | 0.8000  | 0.9500                                      | -   | 0.0500   | 22.8185                  |
| 2005        | 6.6175   | 7.5880  | 1.9000   | 2.7500  | 2.0000                                       | 0.8000  | 1.4000                                      | -   | 0.0500   | 23.1055                  |
| 2006        | 6.6175   | 7.2070  | 1.6283   | 2.7500  | 2.0000                                       | 0.8000  | 1.4000                                      | -   | 0.0500   | 22.4528                  |
| 2007        | 6.0953   | 7.1230  | 1.5520   | 2.7500  | 2.0000                                       | 0.7498  | 1.4000                                      | -   | 0.0450   | 21.7151                  |
| 2008        | 6.0953   | 7.4200  | 1.8000   | 3.2373  | 2.0000                                       | 0.9700  | 1.4000                                      | -   | 0.0450   | 22.9676                  |

Source: Tax Collector, Santa Rosa County

**SANTA ROSA COUNTY, FLORIDA  
PRINCIPAL TAXPAYERS  
Current Year and Five Years Ago\*  
(UNAUDITED)**

| <b>TAXPAYER</b>                  | <b>2008</b>                   |             |   | <b>2003*</b>                  |             |   |
|----------------------------------|-------------------------------|-------------|---|-------------------------------|-------------|---|
|                                  | <b>ASSESSED<br/>VALUATION</b> | <b>Rank</b> | <b>PERCENTAGE OF<br/>TOTAL ASSESSED<br/>VALUATION</b> | <b>ASSESSED<br/>VALUATION</b> | <b>Rank</b> | <b>PERCENTAGE OF<br/>TOTAL ASSESSED<br/>VALUATION</b> |
| Gulf Power                       | \$ 75,025,833                 | 1           | 0.78%   | \$ 79,510,241                 | 1           | 1.46%   |
| Quantum Resources                | \$ 71,154,328                 | 2           | 0.74%   |                               |             |   |
| Florida Gas Transmission         | \$ 54,855,822                 | 3           | 0.57%   | \$ 40,948,123                 | 4           | 0.75%   |
| BellSouth                        | \$ 48,016,918                 | 4           | 0.50%   | \$ 57,554,387                 | 3           | 1.06%   |
| Adams Homes of Northwest Florida | \$ 24,906,589                 | 5           | 0.26%   |                               |             |   |
| Holi Corp                        | \$ 23,275,000                 | 6           | 0.24%   |                               |             |   |
| Mediacom Southeast, LLC          | \$ 21,770,560                 | 7           | 0.23%   | \$ 13,634,673                 | 10          | 0.25%   |
| WalMart Stores East              | \$ 21,609,184                 | 8           | 0.22%   | \$ 20,644,614                 | 6           | 0.38%   |
| Santa Rosa Energy                | \$ 20,850,115                 | 9           | 0.22%   |                               |             |   |
| Inexco Oil Company               | \$ 20,279,016                 | 10          | 0.21%   | \$ 15,851,450                 | 9           | 0.29%   |
| Air Products                     |                               |             |   | \$ 60,273,673                 | 2           | 1.11%   |
| Exxon                            |                               |             |   | \$ 38,908,596                 | 5           | 0.71%   |
| International Paper Realty       |                               |             |   | \$ 19,135,970                 | 7           | 0.35%   |
| Louisiana Land                   |                               |             |   | \$ 17,461,829                 | 8           | 0.32%   |

Source: Property Appraiser, Santa Rosa County

\* GASB Standard 44 requires data from nine years ago. That data is not available.

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

| <b>YEAR</b> | <b>TOTAL TAX<br/>LEVY</b> | <b>CURRENT AND<br/>PRIOR YEARS<br/>ADJUSTMENTS</b> | <b>OUTSTANDING<br/>DELINQUENT<br/>TAXES</b> | <b>DISCOUNTS<br/>ALLOWED</b> | <b>CURRENT TAX<br/>COLLECTIONS</b> | <b>PERCENT OF<br/>CURRENT TAX<br/>COLLECTIONS<br/>TO TOTAL LEVY</b> | <b>TOTAL<br/>TAX<br/>COLLECTION</b> | <b>PERCENT OF<br/>TOTAL TAX<br/>COLLECTION<br/>TO TOTAL LEVY</b> | <b>PERCENT OF<br/>DELINQUENT<br/>TAXES TO<br/>TAX LEVY</b> |
|-------------|---------------------------|--|---|------------------------------|------------------------------------|---|-------------------------------------|--|--|
| 1999        | \$ 24,963,831             | \$ 31,740  | \$ 75,341                                   | \$ 747,607                   | \$ 24,109,143                      | 96.58%  | \$ 24,856,750                       | 99.57%   | 0.30%  |
| 2000        | \$ 26,516,773             | \$ 20,197  | \$ 55,766                                   | \$ 798,832                   | \$ 25,641,979                      | 96.70%  | \$ 26,440,811                       | 99.71%   | 0.21%  |
| 2001        | \$ 29,042,112             | \$ 18,664  | \$ 130,090                                  | \$ 872,929                   | \$ 28,020,429                      | 96.48%  | \$ 28,893,358                       | 99.49%   | 0.45%  |
| 2002        | \$ 33,251,820             | \$ 119,059   | \$ 956,425                                  | \$ 998,627                   | \$ 31,177,709                      | 93.76%  | \$ 32,176,336                       | 96.77%   | 2.88%  |
| 2003        | \$ 30,220,046             | \$ 37,466  | \$ 99,320                                   | \$ 909,168                   | \$ 29,174,093                      | 96.54%  | \$ 30,083,261                       | 99.55%   | 0.33%  |
| 2004        | \$ 36,112,480             | \$ 409,001   | \$ 1,142,344                                | \$ 1,058,821                 | \$ 33,502,312                      | 92.77%  | \$ 34,561,133                       | 95.70%   | 3.16%  |
| 2005        | \$ 39,291,287             | \$ 21,221  | \$ 987,964                                  | \$ 1,276,378                 | \$ 37,454,277                      | 95.32%  | \$ 38,730,655                       | 98.57%   | 2.51%  |
| 2006        | \$ 43,548,508             | \$ 167,371   | \$ 206,484                                  | \$ 1,348,268                 | \$ 41,826,385                      | 96.05%  | \$ 43,174,653                       | 99.14%   | 0.47%  |
| 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%  |

Source: Tax Collector, Santa Rosa County

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

| YEAR | General<br>Obligation<br>Debt | Governmental Activities    |                               |                   |                   | Business-Type   | Total         | Percentage<br>of Personal<br>Income | Per<br>Capita |
|------|-------------------------------|----------------------------|-------------------------------|-------------------|-------------------|-----------------|---------------|-------------------------------------|---------------|
|      |                               | Revenue-<br>Backed<br>Debt | Special<br>Assessment<br>Debt | Line of<br>Credit | Capital<br>Leases | Revenue<br>Debt |               |                                     |               |
| 1999 | \$ 30,023                     | \$ 7,831,688               | \$ 798,788                    | \$ 50,000         | \$ 125,200        | \$ 5,928,750    | \$ 14,764,449 | 0.566%                              | \$ 129.04     |
| 2000 | \$ 27,605                     | \$ 7,127,509               | \$ 805,540                    | \$ -              | \$ 85,903         | \$ 5,301,250    | \$ 13,347,807 | 0.468%                              | \$ 113.36     |
| 2001 | \$ 24,986                     | \$ 7,112,685               | \$ 805,982                    | \$ -              | \$ 25,554         | \$ 4,811,250    | \$ 12,780,457 | 0.427%                              | \$ 105.30     |
| 2002 | \$ 22,147                     | \$ 6,400,533               | \$ 654,948                    | \$ -              | \$ -              | \$ 4,143,750    | \$ 11,221,378 | 0.357%                              | \$ 89.80      |
| 2003 | \$ 2,818,088                  | \$ 3,642,500               | \$ 473,271                    | \$ -              | \$ -              | \$ 3,067,500    | \$ 10,001,359 | 0.301%                              | \$ 77.60      |
| 2004 | \$ 5,732,756                  | \$ 2,887,500               | \$ 1,246,125                  | \$ -              | \$ 180,422        | \$ 2,887,500    | \$ 12,934,303 | 0.353%                              | \$ 96.73      |
| 2005 | \$ 4,712,710                  | \$ 2,697,500               | \$ 1,461,353                  | \$ -              | \$ 112,350        | \$ 2,697,500    | \$ 11,681,413 | 0.288%                              | \$ 85.61      |
| 2006 | \$ 3,476,725                  | \$ 2,502,500               | \$ 6,337,602                  | \$ -              | \$ 57,450         | \$ 2,502,500    | \$ 14,876,777 | 0.339%                              | \$ 105.19     |
| 2007 | \$ 2,571,122                  | \$ 3,490,399               | \$ 5,693,011                  | \$ -              | \$ -              | \$ 8,462,167    | \$ 20,216,699 | 0.467%                              | \$ 142.23     |
| 2008 | \$ 1,995,435                  | \$ 3,258,935               | \$ 7,526,784                  | \$ -              | \$ -              | \$ 8,124,926    | \$ 20,906,080 | 0.459%                              | \$ 133.30     |

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

| <b>YEAR</b> | <b>Governmental<br/>Activities</b>     | <b>Percentage of<br/>Actual Taxable<br/>Value of<br/>Property (2)</b> | <b>Per<br/>Capita (1)</b> |
|-------------|--|---|---------------------------|
| <b>YEAR</b> | <b>General<br/>Obligation<br/>Debt</b> | <b>Percentage of<br/>Actual Taxable<br/>Value of<br/>Property (2)</b> | <b>Per<br/>Capita (1)</b> |
| 1999        | \$ 30,023                              | 0.001%  | \$ 0.26                   |
| 2000        | \$ 27,605                              | 0.001%  | \$ 0.23                   |
| 2001        | \$ 24,986                              | 0.001%  | \$ 0.21                   |
| 2002        | \$ 22,147                              | 0.000%  | \$ 0.18                   |
| 2003        | \$ 2,818,088                           | 0.052%  | \$ 21.86                  |
| 2004        | \$ 5,732,756                           | 0.097%  | \$ 42.87                  |
| 2005        | \$ 4,712,710                           | 0.072%  | \$ 34.54                  |
| 2006        | \$ 3,476,725                           | 0.039%  | \$ 24.58                  |
| 2007        | \$ 2,571,122                           | 0.028%  | \$ 18.09                  |
| 2008        | \$ 1,995,435                           | 0.021%  | \$ 12.72                  |

- (1) US Bureau of Economic and Business Research  
(2) Property Appraiser, Santa Rosa County

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

**REVENUE BONDS**

| YEAR | Gross Revenues (1) | Less: Expenses | Net Available Revenue | Debt Service |            | Coverage |
|------|--------------------|----------------|-----------------------|--------------|------------|----------|
|      |                    |                |                       | Principal    | Interest   |          |
| 1999 | \$ 7,131,506       | \$ 668,258     | \$ 6,463,248          | \$ 735,000   | \$ 583,555 | 490%     |
| 2000 | \$ 7,696,640       | \$ 3,493,412   | \$ 4,203,228          | \$ 750,000   | \$ 546,630 | 324%     |
| 2001 | \$ 9,497,594       | \$ 3,612,654   | \$ 5,884,940          | \$ 765,000   | \$ 437,533 | 489%     |
| 2002 | \$ 8,622,180       | \$ 5,936,118   | \$ 2,686,062          | \$ 830,000   | \$ 361,362 | 225%     |
| 2003 | \$ 2,532,915       | \$ 1,744,069   | \$ 788,846            | \$ 345,000   | \$ 283,079 | 126%     |
| 2004 | \$ 2,870,479       | \$ 1,958,717   | \$ 911,762            | \$ 360,000   | \$ 268,450 | 145%     |
| 2005 | \$ 4,439,631       | \$ 2,643,799   | \$ 1,795,832          | \$ 380,000   | \$ 253,000 | 284%     |
| 2006 | \$ 4,489,889       | \$ 2,892,356   | \$ 1,597,533          | \$ 390,000   | \$ 236,830 | 255%     |
| 2007 | \$ 4,284,557       | \$ 3,596,120   | \$ 688,437            | \$ 410,000   | \$ 219,927 | 109%     |
| 2008 | \$ 4,435,082       | \$ 3,803,112   | \$ 631,970            | \$ 430,000   | \$ 201,970 | 100%     |

**NOTES PAYABLE**

| YEAR | Gross Revenues (2) | Less: Expenses | Net Available Revenue | Debt Service |            | Coverage |
|------|--------------------|----------------|-----------------------|--------------|------------|----------|
|      |                    |                |                       | Principal    | Interest   |          |
| 1999 | \$ 2,999,081       | \$ 334,129     | \$ 2,664,952          | \$ 421,934   | \$ 171,756 | 449%     |
| 2000 | \$ 2,542,209       | \$ 1,746,706   | \$ 795,503            | \$ 390,063   | \$ 152,427 | 147%     |
| 2001 | \$ 2,454,560       | \$ 1,204,218   | \$ 1,250,342          | \$ 305,599   | \$ 137,321 | 282%     |
| 2002 | \$ 2,720,668       | \$ 1,978,706   | \$ 741,962            | \$ 400,610   | \$ 142,082 | 137%     |
| 2003 | \$ 2,329,145       | \$ 1,744,069   | \$ 585,076            | \$ 75,000    | \$ 47,468  | 478%     |
| 2004 | \$ -               | \$ -           | \$ -                  | \$ -         | \$ -       | 0%       |
| 2005 | \$ -               | \$ -           | \$ -                  | \$ -         | \$ -       | 0%       |
| 2006 | \$ -               | \$ -           | \$ -                  | \$ -         | \$ -       | 0%       |
| 2007 | \$ 880,340         | \$ -           | \$ 880,340            | \$ 4,601     | \$ 144,928 | 589%     |
| 2008 | \$ 926,513         | \$ -           | \$ 926,513            | \$ 354,297   | \$ 300,387 | 142%     |

**SPECIAL ASSESSMENT NOTES**

| YEAR | Gross Revenues (1) (3) | Less: Expenses | Net Available Revenue | Debt Service |            | Coverage |
|------|------------------------|----------------|-----------------------|--------------|------------|----------|
|      |                        |                |                       | Principal    | Interest   |          |
| 1999 | \$ 321,623             | \$ -           | \$ 321,623            | \$ 148,621   | \$ 53,868  | 159%     |
| 2000 | \$ 363,501             | \$ -           | \$ 363,501            | \$ 159,828   | \$ 51,186  | 172%     |
| 2001 | \$ 355,879             | \$ -           | \$ 355,879            | \$ 131,654   | \$ 43,505  | 203%     |
| 2002 | \$ 366,797             | \$ -           | \$ 366,797            | \$ 149,917   | \$ 42,599  | 191%     |
| 2003 | \$ 270,590             | \$ -           | \$ 270,590            | \$ 84,704    | \$ 14,459  | 273%     |
| 2004 | \$ 860,306             | \$ -           | \$ 860,306            | \$ 445,043   | \$ 116,972 | 153%     |
| 2005 | \$ 1,364,797           | \$ -           | \$ 1,364,797          | \$ 477,636   | \$ 139,182 | 221%     |
| 2006 | \$ 2,222,886           | \$ -           | \$ 2,222,886          | \$ 1,407,589 | \$ 299,801 | 130%     |
| 2007 | \$ 2,219,362           | \$ -           | \$ 2,219,362          | \$ 1,470,511 | \$ 365,315 | 121%     |
| 2008 | \$ 5,583,157           | \$ -           | \$ 5,583,157          | \$ 1,552,465 | \$ 361,885 | 292%     |

- (1) Racetrack and Landfill revenues
- (2) Electric Franchise Fees
- (3) Special Assessments

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

| <b>FISCAL<br/>YEAR</b> | <b>POPULATION (1) (2)</b> | <b>PERSONAL<br/>INCOME (1)<br/>(Thousands)</b> | <b>PER CAPITA<br/>PERSONAL<br/>INCOME (1)</b> | <b>UNEMPLOYMENT<br/>RATE (3)</b> |
|------------------------|---------------------------|--|---|----------------------------------|
| 1999                   | 114,418                   | \$ 2,606,261                                   | \$ 22,454                                     | 3.9%                             |
| 2000                   | 117,743                   | \$ 2,850,569                                   | \$ 24,066                                     | 3.6%                             |
| 2001                   | 121,370                   | \$ 2,990,543                                   | \$ 24,607                                     | 4.4%                             |
| 2002                   | 124,956                   | \$ 3,140,971                                   | \$ 24,521                                     | 4.8%                             |
| 2003                   | 128,889                   | \$ 3,327,655                                   | \$ 25,102                                     | 4.4%                             |
| 2004                   | 133,721                   | \$ 3,664,694                                   | \$ 26,621                                     | 4.1%                             |
| 2005                   | 136,443                   | \$ 4,054,636                                   | \$ 28,468                                     | 3.7%                             |
| 2006                   | 141,428                   | \$ 4,387,850                                   | \$ 30,351                                     | 3.1%                             |
| 2007                   | 142,144                   | \$ 4,326,299 *                                 | \$ 29,812 *                                   | 3.7%                             |
| 2008                   | 156,840                   | \$ 4,550,403 *                                 | \$ 30,694 *                                   | 5.8%                             |

\* Projected

(1) US Bureau of Economic and Business Research

(2) Woods and Poole Economics (2008 only)

(3) US Bureau of Labor Statistics

**SANTA ROSA COUNTY, FLORIDA  
PRINCIPLE EMPLOYERS  
CURRENT YEAR AND THREE YEARS AGO\*  
(UNAUDITED)**

| EMPLOYER                          | 2008      |      |                                      | 2005      |      |                                      |
|-----------------------------------|-----------|------|--------------------------------------|-----------|------|--------------------------------------|
|                                   | EMPLOYEES | RANK | PERCENTAGE<br>OF TOTAL<br>EMPLOYMENT | EMPLOYEES | RANK | PERCENTAGE<br>OF TOTAL<br>EMPLOYMENT |
| Santa Rosa County School District | 3,000     | 1    | 4.51%                                | 3,000     | 1    | 4.72%                                |
| U.S. Government                   | 2,290     | 2    | 3.44%                                | 1,999     | 2    | 3.15%                                |
| Wal-Mart Stores                   | 1,375     | 3    | 2.06%                                | 1,161     | 3    | 1.83%                                |
| State of Florida                  | 1,351     | 4    | 2.03%                                | 723       | 6    | 1.14%                                |
| Santa Rosa County                 | 1,018     | 5    | 1.53%                                | 867       | 4    | 1.36%                                |
| Baptist Health Systems            | 850       | 6    | 1.28%                                | 850       | 5    | 1.34%                                |
| Lowe's                            | 600       | 7    | 0.90%                                |           |      |                                      |
| L3 Communications                 | 475       | 8    | 0.71%                                | 470       | 8    | 0.74%                                |
| Mediacom                          | 443       | 9    | 0.67%                                |           |      |                                      |
| Santa Rosa Medical Center         | 400       | 10   | 0.60%                                | 536       | 7    | 0.84%                                |
| TRX Fulfillment Services          |           |      |                                      | 330       | 9    | 0.52%                                |
| Mold-Ex/Southland Technologies    |           |      |                                      | 270       | 10   | 0.42%                                |
| Total                             | 11,802    |      | 18%                                  | 10,206    |      | 15%                                  |
| Total employment                  |           |      | 66,589                               |           |      | 63,539                               |

\* GASB Standard 44 requires data from the current year and nine years ago. That data is not available.

Source: Team Santa Rosa Economic Development Council, Inc.

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

|                        | <u>2003</u>  | <u>2004</u>  | <u>2005</u>  | <u>2006</u>  | <u>2007</u>  | <u>2008</u>  |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| General government     | 293          | 277          | 282          | 307          | 316          | 289          |
| Public safety          | 500          | 507          | 537          | 580          | 528          | 464          |
| Physical environment   | 51           | 54           | 64           | 81           | 67           | 64           |
| Transportation         | 106          | 118          | 139          | 172          | 137          | 126          |
| Economic environment   | 2            | 2            | 2            | 3            | 3            | 3            |
| Human services         | 26           | 29           | 28           | 32           | 29           | 23           |
| Culture and recreation | 31           | 37           | 37           | 49           | 49           | 45           |
| Total                  | <u>1,009</u> | <u>1,024</u> | <u>1,089</u> | <u>1,224</u> | <u>1,129</u> | <u>1,014</u> |

Information is not available for previous years.  
Source: Departmental reports.

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

|                          | 2003    | 2004    | 2005    | 2006    | 2007    | 2008    |
|--------------------------|---------|---------|---------|---------|---------|---------|
| Public safety            |         |         |         |         |         |         |
| Law Enforcement          |         |         |         |         |         |         |
| Service calls            | 119,882 | 122,795 | 130,093 | 125,609 | 144,537 | 146,907 |
| DUI arrests              | 418     | 362     | 279     | 243     | 293     | 326     |
| Jail inmates             | 7,797   | 8,076   | 6,901   | 8,752   | 8,692   | 8,234   |
| Physical environment     |         |         |         |         |         |         |
| Transportation           |         |         |         |         |         |         |
| Economic environment     |         |         |         |         |         |         |
| Human services           |         |         |         |         |         |         |
| Animal Services          |         |         |         |         |         |         |
| Service calls            | 7,276   | 8,152   | 8,445   | 8,113   | 8,728   | 8,181   |
| Adoptions                | 608     | 817     | 764     | 730     | 771     | 751     |
| Animal visits to shelter | 7,834   | 7,997   | 8,047   | 8,271   | 8,698   | 8,751   |
| Culture and recreation   |         |         |         |         |         |         |
| Libraries                |         |         |         |         |         |         |
| Items circulated         | -       | -       | -       | 316,285 | 495,325 | 558,751 |
| Registered borrowers     | -       | -       | -       | 22,415  | 29,565  | 47,919  |

Indicators are not available for the general government function.

Information is not available for previous years.

Source: Departmental reports

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

|                             | 2003  | 2004  | 2005  | 2006    | 2007    | 2008    |
|-----------------------------|-------|-------|-------|---------|---------|---------|
| Public safety               |       |       |       |         |         |         |
| Sheriff's Officers Vehicles | 222   | 249   | 272   | 286     | 301     | 287     |
| Fire Districts              | 15    | 15    | 15    | 15      | 15      | 15      |
| Physical environment        |       |       |       |         |         |         |
| Landfills                   | 1     | 1     | 1     | 1       | 2       | 2       |
| Transfer stations           | 1     | 1     | 1     | 1       | 1       | 1       |
| Water taps                  | 2,173 | 2,201 | 2,220 | 2,220   | 2,188   | 2,192   |
| Sewer taps                  | 2,163 | 2,191 | 2,210 | 2,210   | 2,178   | 2,181   |
| Transportation              |       |       |       |         |         |         |
| Airports                    | 1     | 1     | 1     | 1       | 1       | 1       |
| Airport hangers             | 13    | 13    | 13    | 13      | 13      | 15      |
| Economic environment        |       |       |       |         |         |         |
| Industrial Parks            | 1     | 1     | 2     | 2       | 2       | 2       |
| Human services              |       |       |       |         |         |         |
| Animal Services Vehicles    | 9     | 9     | 9     | 10      | 9       | 9       |
| Culture and recreation      |       |       |       |         |         |         |
| Libraries                   | -     | -     | -     | 4       | 5       | 5       |
| Items in library collection | -     | -     | -     | 129,852 | 131,457 | 144,843 |
| Parks                       | 54    | 55    | 56    | 56      | 56      | 56      |

Indicators are not available for the general government function.

Information is not available for previous years.

Source: Departmental reports