

## **Annual Financial Report**

**2015-2016**

**FLORIDA DEPARTMENT OF EDUCATION  
REPORT OF FINANCIAL DATA TO THE  
COMMISSIONER OF EDUCATION (ESE 348)  
DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
For the Fiscal Year Ended June 30, 2016**

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The Report of Financial Data to the Commissioner of Education (ESE 348) for the fiscal year ended June 30, 2016, was submitted in accordance with rule 6A-1.0071, Florida Administrative Code (section 1001.51(12)(b), Florida Statutes). This report was approved by the school board on September 6, 2016.

\_\_\_\_\_  
Signature of District School Superintendent

\_\_\_\_\_  
Signature Date

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - GENERAL FUND**  
For the Fiscal Year Ended June 30, 2016

Exhibit K-1  
FDOE Page 1  
**Fund 100**

REVENUES	Account Number	
<i>Federal Direct:</i>		
Federal Impact, Current Operations	3121	
Reserve Officers Training Corps (ROTC)	3191	59,662.17
Miscellaneous Federal Direct	3199	75.00
Total Federal Direct	3100	59,737.17
<i>Federal Through State and Local:</i>		
Medicaid	3202	214,206.82
National Forest Funds	3255	
Federal Through Local	3280	
Miscellaneous Federal Through State	3299	114,313.71
Total Federal Through State and Local	3200	328,520.53
<i>State:</i>		
Florida Education Finance Program (FEFP)	3310	8,768,274.00
Workforce Development	3315	971,512.00
Workforce Development Capitalization Incentive Grant	3316	
Workforce Education Performance Incentive	3317	62,436.00
Adults with Disabilities	3318	
CO&DS Withheld for Administrative Expenditure	3323	1,565.46
Diagnostic and Learning Resources Centers	3335	
Sales Tax Distribution (s. 212.20(6)(d)6.a., F.S.)	3341	223,250.00
State Forest Funds	3342	
State License Tax	3343	12,781.98
District Discretionary Lottery Funds	3344	
<i>Categorical Programs:</i>		
Class Size Reduction Operating Funds	3355	2,790,668.00
Florida School Recognition Funds	3361	7,557.00
Voluntary Prekindergarten Program	3371	229,827.30
Preschool Projects	3372	
<i>Other State:</i>		
Reading Programs	3373	
Full-Service Schools Program	3378	
State Through Local	3380	
Other Miscellaneous State Revenues	3399	411,311.54
Total State	3300	13,479,183.28
<i>Local:</i>		
District School Taxes	3411	7,951,451.47
Tax Redemptions	3421	
Payment in Lieu of Taxes	3422	
Excess Fees	3423	
Tuition	3424	
Rent	3425	33,101.33
Interest on Investments	3431	8,705.91
Gain on Sale of Investments	3432	2,340.23
Net Increase (Decrease) in Fair Value of Investments	3433	(2,237.72)
Gifts, Grants and Bequests	3440	134,463.39
<i>Student Fees:</i>		
Adult General Education Course Fees	3461	6,540.00
Postsec Career Cert-Appl Tech Diploma Course Fees	3462	224,186.48
Continuing Workforce Education Course Fees	3463	5,546.80
Capital Improvement Fees	3464	23,696.02
Postsecondary Lab Fees	3465	
Lifelong Learning Fees	3466	
GED® Testing Fees	3467	
Financial Aid Fees	3468	47,471.17
Other Student Fees	3469	
<i>Other Fees:</i>		
Preschool Program Fees	3471	89,863.30
Prekindergarten Early Intervention Fees	3472	
School-Age Child Care Fees	3473	
Other Schools, Courses and Classes Fees	3479	
<i>Miscellaneous Local:</i>		
Bus Fees	3491	9,072.00
Transportation Services Rendered for School Activities	3492	26,227.75
Sale of Junk	3493	103,512.00
Receipt of Federal Indirect Cost Rate	3494	101,549.75
Other Miscellaneous Local Sources	3495	211,132.22
Impact Fees	3496	
Refunds of Prior Year's Expenditures	3497	
Collections for Lost, Damaged and Sold Textbooks	3498	
Receipt of Food Service Indirect Costs	3499	
Total Local	3400	8,976,622.10
<b>Total Revenues</b>	<b>3000</b>	<b>22,844,063.08</b>

DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND (Continued)  
For the Fiscal Year Ended June 30, 2016

Exhibit K-1  
FDOE Page 2  
Fund 100

EXPENDITURES	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other	
<i>Current:</i>									
Instruction	5000	9,750,974.14	2,247,389.62	415,622.35	569.30	402,692.40	361,851.16	55,263.65	13,234,362.62
Student Support Services	6100	721,310.85	173,781.02	376,958.58	0.00	1,048.67		982.15	1,274,081.27
Instructional Media Services	6200	205,467.62	46,685.52	19,122.57			8,171.98		279,447.69
Instruction and Curriculum Development Services	6300	679,478.97	141,804.14	23,762.01	0.00	9,640.75	3,636.80	1,740.80	860,063.47
Instructional Staff Training Services	6400	307.50	36.41	50,096.42	1,812.75	2,319.26	165.33	5,314.55	60,052.22
Instruction-Related Technology	6500	192,373.92	52,325.84	45,839.53	92.40	0.00	278.99	257.60	291,168.28
Board	7100	130,384.40	55,851.41	79,314.93					265,550.74
General Administration	7200	159,306.35	37,994.53	128,596.37	155.93	16,049.18	156.79	19,349.04	361,608.19
School Administration	7300	1,416,946.46	320,063.90	28,952.31	65.03	2,031.11		13,015.52	1,781,074.33
Facilities Acquisition and Construction	7410	6,864.98	1,117.15	10,550.00			377,601.10		396,133.23
Fiscal Services	7500	243,863.87	54,338.28	25,519.89		8,462.50		0.00	332,184.54
Food Services	7600	406.96	52.89			838.83			1,298.68
Central Services	7700	212,682.49	46,768.25	54,818.23	103.00	6,594.08		442.29	321,408.34
Student Transportation Services	7800	792,363.45	303,805.05	37,850.25	141,735.42	114,307.63	4,751.02	22,118.82	1,416,931.64
Operation of Plant	7900	599,318.38	212,379.62	602,210.16	787,716.70	31,011.29	2,659.98	24,828.29	2,260,124.42
Maintenance of Plant	8100	222,620.48	50,170.19	18,306.82		1,465.07		15,488.00	308,050.56
Administrative Technology Services	8200	160,963.96	29,845.71	96,670.55		9,000.41	1,465.89	35.00	297,981.52
Community Services	9100	37,874.00	9,175.22	6,933.00		4,105.11	1,892.86	102,569.98	162,550.17
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300						44,327.85		44,327.85
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710								0.00
Interest	720								0.00
<b>Total Expenditures</b>		15,533,508.78	3,783,584.75	2,021,123.97	932,250.53	609,566.29	806,959.75	261,405.69	23,948,399.76
<b>Excess (Deficiency) of Revenues Over Expenditures</b>									(1,104,336.68)

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - GENERAL FUND (Continued)**

For the Fiscal Year Ended June 30, 2016

Exhibit K-1  
FDOE Page 3  
**Fund 100**

<b>OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES</b>	<b>Account Number</b>	
Loans	3720	
Sale of Capital Assets	3730	
Loss Recoveries	3740	
<i>Transfers In:</i>		
From Debt Service Funds	3620	
From Capital Projects Funds	3630	367,799.88
From Special Revenue Funds	3640	
From Permanent Funds	3660	
From Internal Service Funds	3670	
From Enterprise Funds	3690	
Total Transfers In	3600	367,799.88
<i>Transfers Out: (Function 9700)</i>		
To Debt Service Funds	920	
To Capital Projects Funds	930	
To Special Revenue Funds	940	
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
Total Transfers Out	9700	0.00
<b>Total Other Financing Sources (Uses)</b>		367,799.88
<b>Net Change In Fund Balance</b>		(736,536.80)
Fund Balance, July 1, 2015	2800	3,361,227.29
Adjustments to Fund Balance	2891	
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	113,588.23
Restricted Fund Balance	2720	418,431.85
Committed Fund Balance	2730	
Assigned Fund Balance	2740	526,877.00
Unassigned Fund Balance	2750	1,565,793.41
Total Fund Balances, June 30, 2016	2700	2,624,690.49

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE**  
**FUNDS - FOOD SERVICES**

For the Fiscal Year Ended June 30, 2016

Exhibit K-2  
FDOE Page 4  
**Fund 410**

<b>REVENUES</b>	<b>Account Number</b>	
<i>Federal Through State and Local:</i>		
School Lunch Reimbursement	3261	1,078,697.18
School Breakfast Reimbursement	3262	381,354.47
Afterschool Snack Reimbursement	3263	
Child Care Food Program	3264	
USDA-Donated Commodities	3265	130,456.98
Cash in Lieu of Donated Foods	3266	
Summer Food Service Program	3267	
Fresh Fruit and Vegetable Program	3268	
Other Food Services	3269	
Federal Through Local	3280	
Miscellaneous Federal Through State	3299	
Total Federal Through State and Local	3200	1,590,508.63
<i>State:</i>		
School Breakfast Supplement	3337	12,810.00
School Lunch Supplement	3338	13,298.00
State Through Local	3380	
Other Miscellaneous State Revenues	3399	
Total State	3300	26,108.00
<i>Local:</i>		
Interest on Investments	3431	3.55
Gain on Sale of Investments	3432	1.78
Net Increase (Decrease) in Fair Value of Investments	3433	
Gifts, Grants and Bequests	3440	1,836.93
Student Lunches	3451	121,392.16
Student Breakfasts	3452	
Adult Breakfasts/Lunches	3453	
Student and Adult á la Carte Fees	3454	
Student Snacks	3455	
Other Food Sales	3456	
Other Miscellaneous Local Sources	3495	
Refunds of Prior Year's Expenditures	3497	
Total Local	3400	123,234.42
<b>Total Revenues</b>	<b>3000</b>	<b>1,739,851.05</b>

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE**  
**FUNDS - FOOD SERVICES (Continued)**  
For the Fiscal Year Ended June 30, 2016

Exhibit K-2  
FDOE Page 5  
**Fund 410**

<b>EXPENDITURES (Function 7600/9300)</b>	<b>Account Number</b>	
Salaries	100	564,912.50
Employee Benefits	200	227,653.01
Purchased Services	300	23,147.84
Energy Services	400	792.19
Materials and Supplies	500	856,419.45
Capital Outlay	600	
Other	700	35,851.09
Other Capital Outlay (Function 9300)	600	
<b>Total Expenditures</b>		1,708,776.08
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		31,074.97
<b>OTHER FINANCING SOURCES (USES)</b> <b>and CHANGES IN FUND BALANCES</b>		
Loans	3720	
Sale of Capital Assets	3730	
Loss Recoveries	3740	
<i>Transfers In:</i>		
From General Fund	3610	
From Debt Service Funds	3620	
From Capital Projects Funds	3630	
Interfund	3650	
From Permanent Funds	3660	
From Internal Service Funds	3670	
From Enterprise Funds	3690	
<b>Total Transfers In</b>	3600	0.00
<i>Transfers Out: (Function 9700)</i>		
To General Fund	910	
To Debt Service Funds	920	
To Capital Projects Funds	930	
Interfund	950	
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
<b>Total Transfers Out</b>	9700	0.00
<b>Total Other Financing Sources (Uses)</b>		0.00
<b>Net Change in Fund Balance</b>		31,074.97
Fund Balance, July 1, 2015	2800	322,746.54
Adjustments to Fund Balance	2891	
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	52,811.80
Restricted Fund Balance	2720	301,009.71
Committed Fund Balance	2730	
Assigned Fund Balance	2740	
Unassigned Fund Balance	2750	
<b>Total Fund Balances, June 30, 2016</b>	2700	353,821.51

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE**  
**FUNDS - OTHER FEDERAL PROGRAMS**  
For the Fiscal Year Ended June 30, 2016

Exhibit K-3  
FDOE Page 6  
**Fund 420**

<b>REVENUES</b>	<b>Account Number</b>	
<i>Federal Direct:</i>		
Head Start	3130	1,025,492.09
Workforce Innovation and Opportunity Act	3170	
Community Action Programs	3180	
Reserve Officers Training Corps (ROTC)	3191	
Pell Grants	3192	314,823.00
Miscellaneous Federal Direct	3199	
Total Federal Direct	3100	1,340,315.09
<i>Federal Through State and Local:</i>		
Career and Technical Education	3201	92,013.21
Medicaid	3202	
Individuals with Disabilities Education Act (IDEA)	3230	905,412.31
<i>Workforce Innovation and Opportunity Act:</i>		
Adult General Education	3221	60,421.84
English Literacy and Civics Education	3222	
Adult Migrant Education	3223	
Other WIOA Programs	3224	
<i>NCLB - Elementary and Secondary Education Act:</i>		
Elementary and Secondary Education Act - Title I	3240	947,533.70
Teacher and Principal Training and Recruiting - Title II, Part A	3225	
Math and Science Partnerships - Title II, Part B	3226	205,052.53
Language Instruction - Title III	3241	
Twenty-First Century Schools - Title IV	3242	489,424.33
Federal Through Local	3280	50,538.89
Emergency Immigrant Education Program	3293	
Miscellaneous Federal Through State	3299	0.00
Total Federal Through State and Local	3200	2,750,396.81
<i>State:</i>		
State Through Local	3380	
Other Miscellaneous State Revenues	3399	
Total State	3300	0.00
<i>Local:</i>		
Interest on Investments	3431	
Gain on Sale of Investments	3432	
Net Increase (Decrease) in Fair Value of Investments	3433	
Gifts, Grants and Bequests	3440	
Adult General Education Course Fees	3461	
Sale of Junk	3493	
Other Miscellaneous Local Sources	3495	31,657.36
Refunds of Prior Year's Expenditures	3497	
Total Local	3400	31,657.36
<b>Total Revenues</b>	<b>3000</b>	<b>4,122,369.26</b>



DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - OTHER FEDERAL PROGRAMS (Continued)  
 For the Fiscal Year Ended June 30, 2016

Exhibit K-3  
 FDOE Page 7  
**Fund 420**

EXPENDITURES	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other	
<i>Current:</i>									
Instruction	5000	964,360.84	285,599.58	247,652.00	597.61	60,355.26	5,053.76	78,085.50	1,641,704.55
Student Support Services	6100	262,367.19	68,666.61	132,207.66		17,599.60		579.64	481,420.70
Instructional Media Services	6200								0.00
Instruction and Curriculum Development Services	6300	475,260.39	104,159.80	12,238.23	491.37	3,420.92	0.00	253.58	595,824.29
Instructional Staff Training Services	6400	18,617.18	1,981.58	149,704.45	0.00	5,321.76		1,150.00	176,774.97
Instruction-Related Technology	6500								0.00
Board	7100								0.00
General Administration	7200	0.00	0.00	56.94		0.00		104,143.36	104,200.30
School Administration	7300	103,505.30	22,354.35	749.90		840.12		1,030.00	128,479.67
Facilities Acquisition and Construction	7410								0.00
Fiscal Services	7500								0.00
Food Services	7600								0.00
Central Services	7700	531.30	81.95						613.25
Student Transportation Services	7800	93,475.30	37,196.47	10,069.93	1,257.11	0.00		1,396.71	143,395.52
Operation of Plant	7900	20,285.91	6,991.87	13,341.80	1,015.47	3,299.65	778.81	96.60	45,810.11
Maintenance of Plant	8100								0.00
Administrative Technology Services	8200								0.00
Community Services	9100	375,458.19	59,491.36	22,376.19		21,374.15		318,945.77	797,645.66
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300						6,500.24		6,500.24
<b>Total Expenditures</b>		2,313,861.60	586,523.57	588,397.10	3,361.56	112,211.46	12,332.81	505,681.16	4,122,369.26
<b>Excess (Deficiency) of Revenues over Expenditures</b>									0.00
<b>OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES</b>	Account Number								
<b>Net Change in Fund Balance</b>		0.00							
Fund Balance, July 1, 2015	2800	0.00							
Total Fund Balances, June 30, 2016	2700	0.00							

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS**  
**FEDERAL ECONOMIC STIMULUS PROGRAMS**

For the Fiscal Year Ended June 30, 2016

Exhibit K-4

FDOE Page 8

**Funds 430**

REVENUES	Account Number	Targeted ARRA Stimulus Funds <b>432</b>	Other ARRA Stimulus Grants <b>433</b>	ARRA Race to the Top <b>434</b>	Totals
<i>Federal Direct:</i>					
Workforce Innovation and Opportunity Act (WIOA)	3170				0.00
Community Action Programs	3180				0.00
Reserve Officers Training Corps (ROTC)	3191				0.00
Miscellaneous Federal Direct	3199				0.00
Total Federal Direct:	3100	0.00	0.00	0.00	0.00
<i>Federal Through State and Local:</i>					
Career and Technical Education	3201				0.00
Race to the Top	3214			16,268.96	16,268.96
Individuals with Disabilities Education Act (IDEA)	3230				0.00
Elementary and Secondary Education Act - Title I	3240				0.00
Other Food Services	3269				0.00
Federal Through Local	3280				0.00
Miscellaneous Federal Through State	3299				0.00
Total Federal Through State and Local	3200	0.00	0.00	16,268.96	16,268.96
<i>State:</i>					
State Through Local	3380				0.00
Other Miscellaneous State Revenues	3399				0.00
Total State	3300	0.00	0.00	0.00	0.00
<i>Local:</i>					
Interest on Investments	3431				0.00
Gain on Sale of Investments	3432				0.00
Net Increase (Decrease) in Fair Value of Investments	3433				0.00
Gifts, Grants and Bequests	3440				0.00
Other Miscellaneous Local Sources	3495				0.00
Refunds of Prior Year's Expenditures	3497				0.00
Total Local	3400	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>3000</b>	<b>0.00</b>	<b>0.00</b>	<b>16,268.96</b>	<b>16,268.96</b>

DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - ARRA RACE TO THE TOP (Continued)  
 For the Fiscal Year Ended June 30, 2016

Exhibit K-4  
 FDOE Page 11  
**Fund 434**

EXPENDITURES	Account Number	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Energy Services	500 Materials and Supplies	600 Capital Outlay	700 Other	Totals
<i>Current:</i>									
Instruction	5000					9,513.69	946.00	435.00	10,894.69
Student Support Services	6100								0.00
Instructional Media Services	6200								0.00
Instruction and Curriculum Development Services	6300								0.00
Instructional Staff Training Services	6400	2,600.00	234.68					1,050.00	3,884.68
Instruction-Related Technology	6500								0.00
Board	7100								0.00
General Administration	7200								0.00
School Administration	7300								0.00
Facilities Acquisition and Construction	7410								0.00
Fiscal Services	7500								0.00
Food Services	7600								0.00
Central Services	7700								0.00
Student Transportation Services	7800								0.00
Operation of Plant	7900								0.00
Maintenance of Plant	8100								0.00
Administrative Technology Services	8200								0.00
Community Services	9100								0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300						1,489.59		1,489.59
<b>Total Expenditures</b>		2,600.00	234.68	0.00	0.00	9,513.69	2,435.59	1,485.00	16,268.96
<b>Excess (Deficiency) of Revenues over Expenditures</b>									0.00
<b>OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES</b>	Account Number								
<b>Net Change in Fund Balance</b>			0.00						
Fund Balance, July 1, 2015	2800		0.00						
Total Fund Balances, June 30, 2016	2700		0.00						

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS**  
For the Fiscal Year Ended June 30, 2016

Exhibit K-7  
FDOE Page 14  
**Funds 300**

REVENUES	Account Number	Public Education Capital Outlay (PECO)	Capital Outlay and Debt Service Program (CO&DS)	Nonvoted Cap. Improvement Section 1011.71(2), F.S.	Other Capital Projects	Totals
		<b>340</b>	<b>360</b>	<b>370</b>	<b>390</b>	
<i>Federal:</i>						
Miscellaneous Federal Direct	3199					0.00
Miscellaneous Federal Through State	3299					0.00
<i>State:</i>						
CO&DS Distributed	3321		116,818.23			116,818.23
Interest on Undistributed CO&DS	3325		311.96			311.96
Sales Tax Distribution (s. 212.20(6)(d)6.a., F.S.)	3341					0.00
State Through Local	3380					0.00
Public Education Capital Outlay (PECO)	3391	92,674.00				92,674.00
Classrooms First Program	3392				130,743.00	130,743.00
SMART Schools Small County Assistance Program	3395					0.00
Class Size Reduction Capital Outlay	3396					0.00
Charter School Capital Outlay Funding	3397					0.00
Other Miscellaneous State Revenues	3399				10,727.90	10,727.90
Total State Sources	3300	92,674.00	117,130.19	0.00	141,470.90	351,275.09
<i>Local:</i>						
District Local Capital Improvement Tax	3413			2,013,436.25		2,013,436.25
County Local Sales Tax	3418					0.00
School District Local Sales Tax	3419					0.00
Tax Redemptions	3421					0.00
Payment in Lieu of Taxes	3422					0.00
Excess Fees	3423					0.00
Interest on Investments	3431			10,419.42		10,419.42
Gain on Sale of Investments	3432			1,215.71		1,215.71
Net Increase (Decrease) in Fair Value of Investments	3433			(4,895.50)		(4,895.50)
Gifts, Grants and Bequests	3440					0.00
Other Miscellaneous Local Sources	3495					0.00
Impact Fees	3496					0.00
Refunds of Prior Year's Expenditures	3497					0.00
Total Local Sources	3400	0.00	0.00	2,020,175.88	0.00	2,020,175.88
<b>Total Revenues</b>	3000	92,674.00	117,130.19	2,020,175.88	141,470.90	2,371,450.97
<b>EXPENDITURES</b>						
<i>Capital Outlay: (Function 7400)</i>						
Library Books	610					0.00
Audiovisual Materials	620					0.00
Buildings and Fixed Equipment	630					0.00
Furniture, Fixtures and Equipment	640	2,331.40		453,421.51		455,752.91
Motor Vehicles (Including Buses)	650			875,904.00		875,904.00
Land	660			226,431.96		226,431.96
Improvements Other Than Buildings	670					0.00
Remodeling and Renovations	680	39,469.34	2,914.52	1,289,933.71	15,700.50	1,348,018.07
Computer Software	690					0.00
<i>Debt Service: (Function 9200)</i>						
Redemption of Principal	710					0.00
Interest	720					0.00
Dues and Fees	730		75.28			75.28
Miscellaneous	790					0.00
<b>Total Expenditures</b>		41,800.74	2,989.80	2,845,691.18	15,700.50	2,906,182.22
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		50,873.26	114,140.39	(825,515.30)	125,770.40	(534,731.25)

DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS (Continued)  
For the Fiscal Year Ended June 30, 2016

Exhibit K-7  
FDOE Page 15  
**Funds 300**

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCE	Account Number	Public Education Capital Outlay (PECO) <b>340</b>	Capital Outlay and Debt Service Program (CO&DS) <b>360</b>	Nonvoted Cap. Improvement Section 1011.71(2), F.S. <b>370</b>	Other Capital Projects <b>390</b>	Totals
Issuance of Bonds	3710					0.00
Premium on Sale of Bonds	3791					0.00
Discount on Sale of Bonds (Function 9299)	891					0.00
Proceeds of Lease-Purchase Agreements	3750					0.00
Premium on Lease-Purchase Agreements	3793					0.00
Discount on Lease-Purchase Agreements (Function 9299)	893					0.00
Loans	3720					0.00
Sale of Capital Assets	3730					0.00
Loss Recoveries	3740					0.00
Proceeds of Forward Supply Contract	3760					0.00
Proceeds from Special Facility Construction Account	3770					0.00
Transfers In:						
From General Fund	3610					0.00
From Debt Service Funds	3620					0.00
From Special Revenue Funds	3640					0.00
Interfund	3650					0.00
From Permanent Funds	3660					0.00
From Internal Service Funds	3670					0.00
From Enterprise Funds	3690					0.00
Total Transfers In	3600	0.00	0.00	0.00	0.00	0.00
Transfers Out: (Function 9700)						
To General Fund	910			(367,799.88)		(367,799.88)
To Debt Service Funds	920					0.00
To Special Revenue Funds	940					0.00
Interfund	950					0.00
To Permanent Funds	960					0.00
To Internal Service Funds	970					0.00
To Enterprise Funds	990					0.00
Total Transfers Out	9700	0.00	0.00	(367,799.88)	0.00	(367,799.88)
<b>Total Other Financing Sources (Uses)</b>		0.00	0.00	(367,799.88)	0.00	(367,799.88)
<b>Net Change in Fund Balances</b>		50,873.26	114,140.39	(1,193,315.18)	125,770.40	(902,531.13)
Fund Balance, July 1, 2015	2800	2,857.67	41,927.57	2,484,881.19	274,697.51	2,804,363.94
Adjustments to Fund Balances	2891					0.00
Ending Fund Balance:						
Nonspendable Fund Balance	2710	53,730.93	156,067.96	1,291,566.01	400,467.91	1,901,832.81
Restricted Fund Balance	2720					0.00
Committed Fund Balance	2730					0.00
Assigned Fund Balance	2740					0.00
Unassigned Fund Balance	2750					0.00
Total Fund Balances, June 30, 2016	2700	53,730.93	156,067.96	1,291,566.01	400,467.91	1,901,832.81

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - INTERNAL SERVICE F**  
For the Fiscal Year Ended June 30, 2016

Exhibit K-10  
FDOE Page 18  
**Funds 700**

INCOME OR (LOSS)	Account Number	Self-Insurance <b>711</b>	Totals
<b>OPERATING REVENUES</b>			
Charges for Services	3481		0.00
Charges for Sales	3482		0.00
Premium Revenue	3484	3,123,727.11	3,123,727.11
Other Operating Revenues	3489		0.00
<b>Total Operating Revenues</b>		3,123,727.11	3,123,727.11
<b>OPERATING EXPENSES (Function 9900)</b>			
Salaries	100		0.00
Employee Benefits	200		0.00
Purchased Services	300	2,862,960.80	2,862,960.80
Energy Services	400		0.00
Materials and Supplies	500		0.00
Capital Outlay	600		0.00
Other	700	19,750.87	19,750.87
Depreciation and Amortization Expense	780		0.00
<b>Total Operating Expenses</b>		2,882,711.67	2,882,711.67
<b>Operating Income (Loss)</b>		241,015.44	241,015.44
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest on Investments	3431	91.72	91.72
Gain on Sale of Investments	3432	53.76	53.76
Net Increase (Decrease) in Fair Value of Investments	3433		0.00
Gifts, Grants and Bequests	3440		0.00
Other Miscellaneous Local Sources	3495		0.00
Loss Recoveries	3740		0.00
Gain on Disposition of Assets	3780		0.00
Interest (Function 9900)	720		0.00
Miscellaneous (Function 9900)	790		0.00
Loss on Disposition of Assets (Function 9900)	810		0.00
<b>Total Nonoperating Revenues (Expenses)</b>		145.48	145.48
<b>Income (Loss) Before Operating Transfers</b>		241,160.92	241,160.92
<b>TRANSFERS and CHANGES IN NET POSITION</b>			
<b>Change in Net Position</b>		241,160.92	241,160.92
Net Position, July 1, 2015	2880	100,704.78	100,704.78
Adjustments to Net Position	2896		0.00
Net Position, June 30, 2016	2780	341,865.70	341,865.70

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**SCHOOL INTERNAL FUNDS**  
June 30, 2016

Exhibit K-11  
FDOE Page 19  
**Fund 891**

<b>ASSETS</b>	<b>Account Number</b>	<b>Beginning Balance July 1, 2015</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance June 30, 2016</b>
Cash	1110	356,000.40	1,032,374.04	698,827.96	689,546.48
Investments	1160				0.00
Accounts Receivable, Net	1131				0.00
Interest Receivable on Investments	1170				0.00
Due From Budgetary Funds	1141				0.00
Due From Other Agencies	1220				0.00
Inventory	1150				0.00
<b>Total Assets</b>		356,000.40	1,032,374.04	698,827.96	689,546.48
<b>LIABILITIES</b>					
Cash Overdraft	2125				0.00
Accrued Salaries and Benefits	2110				0.00
Payroll Deductions and Withholdings	2170				0.00
Accounts Payable	2120				0.00
Internal Accounts Payable	2290				0.00
Due to Budgetary Funds	2161				0.00
<b>Total Liabilities</b>		0.00	0.00	0.00	0.00

DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
SCHEDULE OF LONG-TERM LIABILITIES  
June 30, 2016

Exhibit K-12  
FDOE Page 20  
Fund 601

	Account Number	Governmental Activities Total Balance [1] June 30, 2016	Total	Governmental Activities - Debt Principal Payments 2015-16	Governmental Activities - Principal Due Within One Year 2016-17	Governmental Activities - Debt Interest Payments 2015-16	Governmental Activities - Interest Due Within One Year 2016-17
Notes Payable	2310		0.00				
Obligations Under Capital Leases	2315		0.00				
Bonds Payable							
SBE/COBI Bonds Payable	2321		0.00				
District Bonds Payable	2322		0.00				
Special Act Bonds Payable	2323		0.00				
Motor Vehicle License Revenue Bonds Payable	2324		0.00				
Sales Surtax Bonds Payable	2326		0.00				
Total Bonds Payable	2320	0.00	0.00	0.00	0.00	0.00	0.00
Liability for Compensated Absences	2330	3,160,819.00	3,160,819.00				
Lease-Purchase Agreements Payable							
Certificates of Participation (COPS) Payable	2341		0.00				
Qualified Zone Academy Bonds (QZAB) Payable	2342		0.00				
Qualified School Construction Bonds (QSCB) Payable	2343		0.00				
Build America Bonds (BAB) Payable	2344		0.00				
Other Lease-Purchase Agreements Payable	2349		0.00				
Total Lease-Purchase Agreements Payable	2340	0.00	0.00	0.00	0.00	0.00	0.00
Estimated Liability for Long-Term Claims	2350		0.00				
Net Other Postemployment Benefits Obligation	2360	1,195,247.00	1,195,247.00				
Net Pension Liability	2365	11,548,681.99	11,548,681.99				
Estimated PECO Advance Payable	2370		0.00				
Other Long-Term Liabilities	2380		0.00				
Derivative Instrument	2390		0.00				
<b>Total Long-term Liabilities</b>		15,904,747.99	15,904,747.99	0.00	0.00	0.00	0.00

[1] Report carrying amount of total liability due within one year and due after one year on June 30, 2016, including discounts and premium



**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**SCHEDULE OF CATEGORICAL PROGRAMS**  
**REPORT OF EXPENDITURES AND AVAILABLE FUNDS**  
For the Fiscal Year Ended June 30, 2016

Exhibit K-13  
FDOE Page 21

CATEGORICAL PROGRAMS (Revenue Number) [Footnote]	Grant Number	Unexpended June 30, 2015	Returned To FDOE	Revenues [1] 2015-16	Expenditures 2015-16	Flexibility [2] 2015-16	Unexpended June 30, 2016
Class Size Reduction Operating Funds (3355)	94740			2,790,668.00	2,790,668.00		0.00
Excellent Teaching Program (3363)	90570						0.00
Florida Digital Classrooms (FEFP Earmark)	98250			290,977.00	290,977.00		0.00
Florida School Recognition Funds (3361)	92040			7,557.00	7,557.00		0.00
Instructional Materials (FEFP Earmark) [3]	90880	10,410.50		213,206.00	137,184.81		86,431.69
Library Media (FEFP Earmark) [3]	90881	134.64		12,040.00	10,601.29		1,573.35
Preschool Projects (3372)	97950						0.00
Public School Technology	90320						0.00
Research-Based Reading Instruction (FEFP Earmark) [4]	90800	28,297.95		221,755.00	229,410.83		20,642.12
Safe Schools (FEFP Earmark) [5]	90803	3,738.72		112,035.00	115,773.72		0.00
Salary Bonus Outstanding Teachers in D and F Schools	94030						0.00
Student Transportation (FEFP Earmark)	90830			569,331.00	569,331.00		0.00
Supplemental Academic Instruction (FEFP Earmark) [4]	91280	182,447.63		591,003.00	463,665.94		309,784.69
Teacher Training	91290						0.00
Teachers Classroom Supply Assistance (FEFP Earmark)	97580			44,128.00	44,128.00		0.00
Voluntary Prekindergarten - School Year Program (3371)	96440			229,827.30	229,827.30		0.00
Voluntary Prekindergarten - Summer Program (3371)	96441						0.00

- [1] Include both state and local revenue sources  
[2] Report the amount of funds transferred from each program to maintain board-specified academic classroom instruction  
[3] Report the Library Media portion of the Instructional Materials allocation on the line "Library Media"  
[4] Expenditures for designated low-performing elementary schools should be included in expenditure  
[5] Combine all programs funded from the Safe Schools allocation on one line, "Safe Schools"

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES**  
For the Fiscal Year Ended June 30, 2016

Exhibit K-14  
FDOE Page 22

	Subobject	General Fund 100	Special Revenue Food Services 410	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
<b>ENERGY EXPENDITURES:</b>						
Natural Gas	411					0.00
Bottled Gas	421					0.00
Electricity	430	769,187.34		1,015.47		770,202.81
Heating Oil	440					0.00
<b>Total</b>		769,187.34	0.00	1,015.47	0.00	770,202.81
<b>ENERGY EXPENDITURES FOR STUDENT TRANSPORTATION:</b>						
Compressed Natural Gas	412					0.00
Liquefied Petroleum Gas	422					0.00
Gasoline	450	8,526.45		1,257.11		9,783.56
Diesel Fuel	460	133,208.97				133,208.97
Oil and Grease	540	3,923.55				3,923.55
<b>Total</b>		145,658.97		1,257.11	0.00	146,916.08

	Subobject	General Fund 100	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Capital Projects Funds 3XX	Total
<b>EXPENDITURES FOR SCHOOL BUSES AND SCHOOL BUS REPLACEMENTS:</b>						
Buses	651				875,904.00	875,904.00

	Subobject	General Fund 100	Special Revenue Food Services 410	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
<b>SUBAWARDS FOR INDIRECT COST RATE:</b>						
<i>Professional and Technical Services:</i>						
Subawards Under Subagreements - First \$25,000	311					0.00
Subawards Under Subagreements - In Excess of \$25,000	312					0.00
<i>Other Purchased Services:</i>						
Subawards Under Subagreements - First \$25,000	391					0.00
Subawards Under Subagreements - In Excess of \$25,000	392					0.00

	Subobject	Special Revenue Food Services 410
<b>FOOD SERVICE SUPPLIES SUBOBJECT</b>		
Supplies	510	76,135.51
Food	570	644,049.45
Donated Foods	580	135,937.54

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES**  
For the Fiscal Year Ended June 30, 2016

Exhibit K-14  
FDOE Page 23

	Subobject	General Fund 100	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
<b>TEACHER SALARIES</b>					
Basic Programs 101, 102 and 103 (Function 5100)	120	6,030,915.50	211,142.09		6,242,057.59
Basic Programs 101, 102 and 103 (Function 5100)	140	352,854.92	3,976.07		356,830.99
Basic Programs 101, 102 and 103 (Function 5100)	750	10,715.49	4,568.56		15,284.05
<b>Total Basic Program Salaries</b>		6,394,485.91	219,686.72	0.00	6,614,172.63
Other Programs 130 (ESOL) (Function 5100)	120				0.00
Other Programs 130 (ESOL) (Function 5100)	140				0.00
Other Programs 130 (ESOL) (Function 5100)	750				0.00
<b>Total Other Program Salaries</b>		0.00	0.00	0.00	0.00
ESE Programs 111, 112, 113, 254 and 255 (Function 5200)	120	1,212,509.95	3,075.32		1,215,585.27
ESE Programs 111, 112, 113, 254 and 255 (Function 5200)	140	12,664.77	98.87		12,763.64
ESE Programs 111, 112, 113, 254 and 255 (Function 5200)	750	14,270.22	11,667.13		25,937.35
<b>Total ESE Program Salaries</b>		1,239,444.94	14,841.32	0.00	1,254,286.26
Career Program 300 (Function 5300)	120	450,910.86	31,825.57		482,736.43
Career Program 300 (Function 5300)	140	3,690.00	0.00		3,690.00
Career Program 300 (Function 5300)	750	0.00	0.00		0.00
<b>Total Career Program Salaries</b>		454,600.86	31,825.57	0.00	486,426.43
<b>Total</b>		8,088,531.71	266,353.61	0.00	8,354,885.32

	Subobject	General Fund 100	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
<b>TEXTBOOKS (used for classroom instruction)</b>					
Textbooks (Function 5000)	520	101,045.53	14,969.10	118.75	116,133.38

ESE 348

DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
 SPECIFIC ACADEMIC CLASSROOM INSTRUCTION AND OTHER DATA COLLECTION  
 For the Fiscal Year Ended June 30, 2016

Exhibit K-14  
 FDOE Page 24

CATEGORICAL FLEXIBLE SPENDING - GENERAL FUND EXPENDITURES	Account Number	Safe Schools	Student Transportation	Supplemental Academic Instruction	Research-Based Reading Instruction	Instructional Materials	Instructional Materials / Library Media	Totals
<i>Instruction:</i>								
Basic	5100							0.00
Exceptional	5200							0.00
Career Education	5300							0.00
Adult General	5400							0.00
Prekindergarten	5500							0.00
Other Instruction	5900							0.00
<b>Total Flexible Spending Instructional Expenditures</b>	5000	0.00	0.00	0.00	0.00	0.00	0.00	0.00

DISTRIBUTIONS TO CHARTER SCHOOLS (Charter school information is used in federal reporting)	Fund Number	Direct Payment (Object 393)	Amount Withheld for Administration	Payments and Services on Behalf of Charter Schools	Total Amount
<i>Expenditures:</i>					
General Fund	100				0.00
Food Service Special Revenue Fund	410				0.00
Other Federal Programs Special Revenue Fund	420				0.00
Federal Economic Stimulus Special Revenue Funds	430				0.00
Capital Projects Funds	3XX				0.00
<b>Total Charter School Distributions</b>		0.00	0.00	0.00	0.00

LIFELONG LEARNING (Lifelong Learning expenditures are used in federal reporting)	Account Number	Amount
<i>Expenditures:</i>		
General Fund	5900	
Other Federal Programs Special Revenue Fund	5900	
Federal Economic Stimulus Special Revenue Funds	5900	
<b>Total</b>	5900	0.00

MEDICAID EXPENDITURE REPORT (Medicaid expenditures are used in federal reporting)	Unexpended June 30, 2015	Earnings 2015-16	Expenditures 2015-16	Unexpended June 30, 2016
Earnings, Expenditures and Carryforward Amounts:	0.00	214,206.82	214,206.82	0.00
<i>Expenditure Program or Activity:</i>				
Exceptional Student Education				
School Nurses and Health Care Services			214,206.82	
Occupational Therapy, Physical Therapy and Other Therapy Services				
ESE Professional and Technical Services				
Gifted Student Education				
Staff Training and Curriculum Development				
Medicaid Administration and Billing Services				
Student Services				
Consultants				
Other				
<b>Total Expenditures</b>			214,206.82	

General Fund Balance Sheet Information (This information is used in state reporting)	Fund Number	Amount
<i>Balance Sheet Amount, June 30, 2016:</i>		
Total Assets and Deferred Outflows of Resources	100	
Total Liabilities and Deferred Inflows of Resources	100	

DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
VOLUNTARY PREKINDERGARTEN (VPK) PROGRAM  
For the Fiscal Year Ended June 30, 2016

Exhibit K-15  
FDOE Page 25  
Supplemental Schedule - Fund 100

VOLUNTARY PREKINDERGARTEN PROGRAM [1] GENERAL FUND EXPENDITURES	Account Number	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Energy Services	500 Materials and Supplies	600 Capital Outlay	700 Other	Totals
<i>Current:</i>									
Prekindergarten	5500	232,492.88	70,015.82	1,296.18		4,101.67		12,880.37	320,786.92
Student Support Services	6100	10,074.91	4,740.78						14,815.69
Instructional Media Services	6200								0.00
Instruction and Curriculum Development Services	6300	112,643.47	28,770.50						141,413.97
Instructional Staff Training Services	6400								0.00
Instruction-Related Technology	6500								0.00
Board	7100								0.00
General Administration	7200								0.00
School Administration	7300			602.39					602.39
Facilities Acquisition and Construction	7410								0.00
Fiscal Services	7500								0.00
Food Services	7600								0.00
Central Services	7700								0.00
Student Transportation Services	7800	6,021.47	4,159.80					40.26	10,221.53
Operation of Plant	7900	15,251.06	6,064.60	650.39	1,015.47	644.03			23,625.55
Maintenance of Plant	8100	19,150.04	3,852.37			520.09			23,522.50
Administrative Technology Services	8200								0.00
Community Services	9100								0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300								0.00
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710								0.00
Interest	720								0.00
<b>Total Expenditures</b>		395,633.83	117,603.87	2,548.96	1,015.47	5,265.79	0.00	12,920.63	534,988.55

[1] Include expenditures for the summer program (section 1002.61, F.S.) and the school-year program (section 1002.63, F.S.).

**TAYLOR COUNTY**  
**DISTRICT SCHOOL BOARD**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Fiscal Year Ended June 30, 2016**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass - Through Grantor Number	Amount of Expenditures (1)
<b>United States Department of Agriculture:</b>			
Indirect:			
Child Nutrition Cluster:			
Florida Department of Agriculture and Consumer Services:			
School Breakfast Program	10.553	13002	\$ 380,588.91
National School Lunch Program	10.555 (1)	13001	1,207,258.13
<b>Total Child Nutrition Cluster</b>			<b>1,587,847.04</b>
<b>United States Department of Education:</b>			
Direct:			
Federal Pell Grant Program	84.063	N/A	314,823.00
Indirect:			
Special Education Cluster:			
Florida Department of Education:			
Special Education - Grants to States	84.027	262, 263	844,226.69
Special Education - Preschool Grants	84.173	266, 267	33,269.12
Florida Gulf Coast University			
State Personnel Development Grant	84.323	170	31,657.36
Leon County District School Board:			
Special Education - Preschool Grants	84.173	None	27,916.50
<b>Total Special Education Cluster</b>			<b>937,069.67</b>
Adult Education - State Grant Program	84.002	191	60,421.84
Title 1 Grants to Local Educational Agencies	84.010	212, 226	947,533.70
Title X Homeless	84.196A	127	19,014.86
Vocational Education - Basic Grants to States	84.048	161	92,013.21
Title VI	84.358B	110	31,524.03
Improving Teacher Quality State Grants	84.367	224	205,052.53
21st Century Community Learning Centers	84.287C	244	489,424.33
Race To The Top	84.395A	RL111, RA211, RG311, RG411	16,268.96
<b>Total United States Department of Education</b>			<b>3,113,146.13</b>
<b>United States Department of Health and Human Services:</b>			
Direct:			
Head Start	93.600 (4)	N/A	1,025,492.09
Indirect:			
Early Learning Coalition of the Big Bend Region, Inc.	93.575		
Child Care and Development			63,350.97
<b>United States Department of Defense:</b>			
Direct:			
Army Junior Reserve Officers Training Corps	None	199	59,431.22
<b>Total Expenditures of Federal Awards</b>			<b>\$ 5,849,267.45</b>

Notes: (1) Basis of Presentation. The Schedule of Expenditures of Federal Awards represents amounts expended from Federal programs during the fiscal year as determined based on the modified accrual basis of accounting. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the District's accounting records from which the basic financial statements have been reported.

(2) Noncash Assistance:

(A) National School Lunch Program - Includes \$130,457.00 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.

**FLORIDA DEPARTMENT OF EDUCATION  
SUPERINTENDENT'S ANNUAL FINANCIAL REPORT (ESE 145)  
DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
For the Fiscal Year Ended June 30, 2016**

Return completed form to: Florida Department of Education Office of Funding and Financial Reporting 325 West Gaines Street, Room 814 Tallahassee, Florida 32399-0400
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The Superintendent's Annual Financial Report (ESE 145) for the fiscal year ended June 30, 2016, was submitted in accordance with rule 6A-1.0071, Florida Administrative Code (section 1001.51(12)(b), Florida Statutes). This report was approved by the school board on September 6, 2016.

\_\_\_\_\_  
Signature of District School Superintendent

\_\_\_\_\_  
Signature Date

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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The management of the Taylor County District School Board has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2016. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and notes to financial statements found immediately following the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2015-16 fiscal year are as follows:

- In total, net position decreased \$901,965.09, which represents a 4.3 percent decrease over the 2014-15 fiscal year.
- General revenues total \$22,844,063.08, or 73.47 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions total \$3,032,637.70 or 9.79 percent of all revenues.
- Expenses total \$31,866,663.39. Only \$3,032,637.70 of these expenses was offset by program specific charges, with the remainder paid from general revenues.
- The unassigned fund balance of the General Fund, representing the net current financial resources available for general appropriation by the Board, totals \$1,565,793.41 at June 30, 2016, or 6.5 percent of total General Fund expenditures.

### OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements consist of three components: 1) Government-wide financial statements; 2) fund financial statements; and 3) notes to financial statements. This report also includes required supplementary information intended to furnish additional details to support the basic financial statements.

#### Government-wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the District presented on the accrual basis of accounting. The statement of net position provides information about the District's financial position, its assets, liabilities, using an economic resources measurement focus. Assets less liabilities equals net position, which is a measure of the District's financial health. The statement of activities presents information about the change in the District's net position, the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating.

All of the District's activities and services are reported in the government-wide financial statements as governmental activities. The District's governmental activities include instruction, pupil support services, instructional support services, administrative support services, facility maintenance, transportation, and food services. Property taxes and State revenues finance most of these activities.



## **Fund Financial Statements**

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Certain funds are established by law while others are created by legal agreements, such as bond covenants. Fund financial statements provide more detailed information about the District's financial activities, focusing on its most significant or "major" funds rather than fund types. This is in contrast to the entitywide perspective contained in the government-wide statements. All of the District's funds may be classified within one of the broad categories discussed below.

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

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

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's most significant funds. The District's major funds are the General Fund, Special Revenue – Other Fund, Special Revenue – ARRA Economic Stimulus Fund, and Capital Projects – Local Capital Improvement Fund. Data from the other governmental funds are combined into a single, aggregated presentation.

The District adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the General and major Special Revenue Funds to demonstrate compliance with the budget.

**Proprietary Funds:** Proprietary funds, such as internal service funds, may be established to account for activities in which a fee is charged for services. Internal service funds are used to report activities that provide goods and services to support the District's other programs and functions through user charges. The District uses the internal service funds to account for the District's health self-insurance programs. Since these services predominantly benefit governmental rather than business-type functions, the internal service funds have been included within governmental activities in the government-wide financial statements.

**Fiduciary Funds:** Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

The District uses agency funds to account for resources held for student activities and groups.

## Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide other postemployment benefits to its employees.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position over time may serve as a useful indicator of a government's financial health. The following is a summary of the District's net position as of June 30, 2016, compared to net position as of June 30, 2015:

	Net Position, End of Year	
	Governmental	
	Activities	
	6-30-16	6-30-15
Current and Other Assets	6,104,236.40	\$ 9,662,399.61
Capital Assets	29,348,312.02	28,781,941.37
<b>Total Assets</b>	<b>35,452,548.42</b>	<b>38,444,340.98</b>
Deferred Outflow s	6,046,031.00	1,959,761.00
Long-Term Liabilities	15,904,747.99	11,767,114.83
Other Liabilities	881,331.79	979,369.94
<b>Total Liabilities</b>	<b>16,786,079.78</b>	<b>12,746,484.77</b>
Deferred Inflow s	4,752,965.10	4,752,271.00
Net Position:		
Investment in Capital Assets	29,348,312.02	28,817,963.39
Restricted	2,621,274.37	3,352,874.92
Unrestricted	(12,010,051.86)	(11,309,338.69)
<b>Total Net Position</b>	<b>\$ 19,959,534.53</b>	<b>\$ 20,861,499.62</b>

The largest portion of the District's net position is investment in capital assets (e.g., land; buildings; furniture, fixtures, and equipment). The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

The restricted portion of the District's net position (1.3 percent) represents resources that are subject to external restrictions on how they may be used.

GASB Statement No. 68 requires the District to recognize its proportionate share of the unfunded pension obligation of the defined benefit plan and the health insurance subsidy plan administered by the Florida Retirement System. As of June 30, 2016 the unrestricted portion of the District's net position remains negative due to the recognized pension liability.

The key elements of the changes in the District's net position for the fiscal years ended June 30, 2016, and June 30, 2015, are as follows:

<b>Operating Results for the Fiscal Year Ended</b>		
	Governmental Activities	
	6-30-16	6-30-15
Program Revenues:	\$	\$
Charges for Services	518,695.93	716,388.10
Operating Grants and Contributions	2,185,947.63	2,184,399.73
Capital Grants and Contributions	327,994.14	277,898.10
General Revenues:		
Property Taxes, Levied for Operational Purposes	7,951,451.47	7,910,421.05
Property Taxes, Levied for Capital Projects	2,013,436.25	1,922,669.45
Grants and Contributions Not Restricted to Specific Programs	17,414,253.28	18,015,872.24
Unrestricted Investment Earnings	15,553.38	4,996.32
Miscellaneous	537,366.22	523,015.38
<b>Total Revenues</b>	<b>30,964,698.30</b>	<b>31,555,660.37</b>
Functions/Program Expenses:		
Instruction	14,902,120.88	15,189,341.49
Pupil Personnel Services	1,729,317.13	1,888,351.78
Instructional Media Services	273,978.29	249,492.20
Instruction and Curriculum Development Services	1,425,149.38	1,203,473.25
Instructional Staff Training Services	240,138.89	314,914.83
Instruction Related Technology	286,047.41	529,572.30
School Board	262,080.00	248,650.59
General Administration	461,567.87	487,796.38
School Administration	1,869,080.61	1,844,544.04
Facilities Acquisition and Construction	1,290,570.97	1,424,507.39
Fiscal Services	325,693.04	377,995.42
Food Services	1,695,026.33	1,769,143.95
Central Services	316,345.97	301,014.46
Pupil Transportation Services	1,742,993.60	1,864,350.76
Operation of Plant	2,289,441.08	2,515,944.26
Maintenance of Plant	302,124.54	261,384.29
Administrative Technology Services	293,696.76	256,033.83
Community Services	949,193.22	728,215.83
Interest on Long-Term Debt	75.28	-
Unallocated Depreciation Expense	1,212,022.14	1,791,005.26
<b>Total Functions/Program Expenses</b>	<b>31,866,663.39</b>	<b>33,245,732.31</b>
<b>Change in Net Position</b>	<b>(901,965.09)</b>	<b>(1,690,071.94)</b>
<b>Net Position - Beginning</b>	<b>20,861,499.62</b>	<b>22,551,570.56</b>
<b>Adjustments to Beginning Net Position</b>		<b>(11,379,269.00)</b>
<b>Net Position - Beginning, As Restated</b>		<b>22,551,571.56</b>
<b>Net Position - Ending</b>	<b>\$ 19,959,534.53</b>	<b>\$ 20,861,499.62</b>

The largest revenue source is the State of Florida (44.56 percent). Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula. The FEFP formula utilizes student enrollment data, and is designed to maintain equity in funding across all Florida school districts, taking into consideration the District's funding ability based on the local property tax base.

Property tax revenues increased by \$131,797.22, or 1.32 percent, as a result of increased property values.

Instruction expenses represent 46.76 percent of total governmental expenses in the 2015-16 fiscal year. Instruction expenses decreased by \$287,220.61, or 1.92 percent, from the previous fiscal year.

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

### **Major Governmental Funds**

The General Fund is the District's chief operating fund. At the end of the current fiscal year, unassigned fund balance is \$1,565,793.41, while the total fund balance is \$3,297,960.94. The unassigned fund balance decreased by \$1,038,369.97, while the total fund balance decreased by \$63,266.35 during the fiscal year. The key factor in this decrease was the increase in total expenditures, due primarily to salary increases.

The Special Revenue – Other Fund has total revenues and expenditures of \$4,122,369.26 each, and the Special Revenue – ARRA Economic Stimulus Fund has total revenues and expenditures of \$16,268.96 each. The resources for these special revenue funds were mainly used for instruction. Because grant revenues attributed to the grants accounted for in this fund are not recognized until expenditures are incurred, this fund generally does not accumulate a fund balance.

The Capital Projects – Local Capital Improvement (LCI) Fund has total fund balances of \$1,291,566.01, which is restricted for the acquisition, construction, and maintenance of capital assets. The fund balance decreased by \$1,193,315.18 in the current fiscal year.

### **Proprietary Funds**

Unrestricted net position of the internal service fund totaled \$341,865.70 at June 30, 2016, which represents an increase of \$241,160.92 from the previous fiscal year. This increase occurred primarily because of lower than expected insurance claims and administrative expense.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

During the 2015-16 fiscal year, the District amended its General Fund budget several times; however, final budgeted amounts were in line with original budgeted amounts.

Actual revenues are in line with the final budgeted amounts while actual expenditures are \$1,392,970.24, or 5.5 percent, less than final budget amounts. The decrease in expenditures was primarily due to continued cost containment measures implemented by the District. The actual ending fund balance exceeded the estimated fund balance contained in the final amended budget by \$2,068,875.27.

## **CAPITAL ASSETS AND LONG-TERM DEBT**

### **Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2016, is \$29,348,312 (net of accumulated depreciation). This investment in capital assets includes land; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; property under capital lease; construction in progress; and computer software. The total increase in capital assets for the current fiscal year was approximately 1.8 percent.

Major capital asset events during the 2015-16 fiscal year included completion of the HVAC renovations at Taylor Middle School, installation of hand rails at Dorsett Football Stadium as well as land purchase for new Primary School.

Additional information on the District's capital assets can be found in notes I.F.4, III.C, and III.F to the financial statements.

### **Long-Term Debt**

At June 30, 2016, the District has no long-term bonded debt outstanding.

## **OTHER MATTERS OF SIGNIFICANCE**

Approximately 45 percent of total General Fund revenues are from the State of Florida; therefore, economic conditions, which affect the economy both nationally and at the State level, will affect the general operating funds and activities of the District. Changes in levels of tourism, immigration into the State of Florida, and unemployment may affect the State revenue streams, which in turn will affect the District revenue streams.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning information provided in the MD&A or other required supplementary information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Ashley Valentine, Finance Director, Taylor County District School Board, 318 North Clark Street, Perry, FL 32347.

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**STATEMENT OF NET POSITION**  
**June 30, 2016**

	Account Number	Primary Government	
		Governmental Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	1110	1,564,923.22	1,564,923.22
Investments	1160	2,778,356.44	2,778,356.44
Due From Other Agencies	1220	1,594,556.71	1,594,556.71
Inventory	1150	166,400.03	166,400.03
<i>Capital Assets</i>			
Land	1310	1,096,195.37	1,096,195.37
Land Improvements - Nondepreciable	1315	238,072.41	238,072.41
Construction in Progress	1360	65,032.20	65,032.20
Nondepreciable Capital Assets		1,399,299.98	1,399,299.98
Improvements Other Than Buildings	1320	668,315.76	668,315.76
Less Accumulated Depreciation	1329	(123,545.10)	(123,545.10)
Buildings and Fixed Equipment	1330	42,961,737.27	42,961,737.27
Less Accumulated Depreciation	1339	(19,244,168.81)	(19,244,168.81)
Furniture, Fixtures and Equipment	1340	5,460,187.13	5,460,187.13
Less Accumulated Depreciation	1349	(3,763,545.58)	(3,763,545.58)
Motor Vehicles	1350	4,968,894.81	4,968,894.81
Less Accumulated Depreciation	1359	(2,978,863.44)	(2,978,863.44)
Computer Software	1382	62,564.57	62,564.57
Less Accumulated Amortization	1389	(62,564.57)	(62,564.57)
Depreciable Capital Assets, Net		27,949,012.04	27,949,012.04
Total Capital Assets		29,348,312.02	29,348,312.02
<b>Total Assets</b>		35,452,548.42	35,452,548.42
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension	1940	6,046,031.00	6,046,031.00
<b>Total Deferred Outflows of Resources</b>		6,046,031.00	6,046,031.00
<b>LIABILITIES</b>			
Payroll Deductions and Withholdings	2170	132,685.13	132,685.13
Accounts Payable	2120	240,123.45	240,123.45
Due to Other Agencies	2230	249,485.18	249,485.18
Construction Contracts Payable - Retained Percentage	2150	7,225.80	7,225.80
Estimated Unpaid Claims - Self-Insurance Program	2271	246,463.20	246,463.20
Unearned Revenues	2410	5,349.03	5,349.03
<i>Noncurrent Liabilities</i>			
<i>Portion Due Within One Year:</i>			
Liability for Compensated Absences	2330	300,393.69	300,393.69
Due Within One Year		300,393.69	300,393.69
<i>Portion Due After One Year:</i>			
Liability for Compensated Absences	2330	2,860,425.31	2,860,425.31
Net Other Postemployment Benefits Obligation	2360	1,195,247.00	1,195,247.00
Net Pension Liability	2365	11,548,681.99	11,548,681.99
Due in More than One Year		15,604,354.30	15,604,354.30
Total Long-Term Liabilities		15,904,747.99	15,904,747.99
<b>Total Liabilities</b>		16,786,079.78	16,786,079.78
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Revenue	2630	694.10	694.10
Pension	2640	4,752,271.00	4,752,271.00
<b>Total Deferred Inflows of Resources</b>		4,752,965.10	4,752,965.10
<b>NET POSITION</b>			
Net Investment in Capital Assets	2770	29,348,312.02	29,348,312.02
<i>Restricted For:</i>			
Categorical Carryover Programs	2780	418,431.85	418,431.85
Food Service	2780	301,009.71	301,009.71
Capital Projects	2780	1,901,832.81	1,901,832.81
Unrestricted	2790	(12,010,051.86)	(12,010,051.86)
<b>Total Net Position</b>		19,959,534.53	19,959,534.53

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2016**

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
						Governmental Activities	Total
<i>Governmental Activities:</i>							
Instruction	5000	14,902,120.88	397,303.77			(14,504,817.11)	(14,504,817.11)
Student Support Services	6100	1,729,317.13				(1,729,317.13)	(1,729,317.13)
Instructional Media Services	6200	273,978.29				(273,978.29)	(273,978.29)
Instruction and Curriculum Development Services	6300	1,425,149.38				(1,425,149.38)	(1,425,149.38)
Instructional Staff Training Services	6400	240,138.89				(240,138.89)	(240,138.89)
Instruction-Related Technology	6500	286,047.41				(286,047.41)	(286,047.41)
Board	7100	262,080.00				(262,080.00)	(262,080.00)
General Administration	7200	461,567.87				(461,567.87)	(461,567.87)
School Administration	7300	1,869,080.61				(1,869,080.61)	(1,869,080.61)
Facilities Acquisition and Construction	7400	1,290,570.97			327,994.14	(962,576.83)	(962,576.83)
Fiscal Services	7500	325,693.04				(325,693.04)	(325,693.04)
Food Services	7600	1,695,026.33	121,392.16	1,616,616.63		42,982.46	42,982.46
Central Services	7700	316,345.97				(316,345.97)	(316,345.97)
Student Transportation Services	7800	1,742,993.60		569,331.00		(1,173,662.60)	(1,173,662.60)
Operation of Plant	7900	2,289,441.08				(2,289,441.08)	(2,289,441.08)
Maintenance of Plant	8100	302,124.54				(302,124.54)	(302,124.54)
Administrative Technology Services	8200	293,696.76				(293,696.76)	(293,696.76)
Community Services	9100	949,193.22				(949,193.22)	(949,193.22)
Interest on Long-Term Debt	9200	75.28				(75.28)	(75.28)
Unallocated Depreciation/Amortization Expense		1,212,022.14				(1,212,022.14)	(1,212,022.14)
<b>Total Governmental Activities</b>		31,866,663.39	518,695.93	2,185,947.63	327,994.14	(28,834,025.69)	(28,834,025.69)
<b>Total Primary Government</b>		31,866,663.39	518,695.93	2,185,947.63	327,994.14	(28,834,025.69)	(28,834,025.69)

**General Revenues:**

*Taxes:*

Property Taxes, Levied for Operational Purposes  
Property Taxes, Levied for Debt Service  
Property Taxes, Levied for Capital Projects  
Local Sales Taxes  
Grants and Contributions Not Restricted to Specific Programs  
Investment Earnings  
Miscellaneous  
Special Items  
Extraordinary Items  
Transfers

**Total General Revenues, Special Items, Extraordinary Items and Transfers**

**Change in Net Position**

Net Position, July 1, 2015  
Adjustments to Net Position  
Net Position, June 30, 2016

7,951,451.47	7,951,451.47
	0.00
2,013,436.25	2,013,436.25
	0.00
17,414,253.28	17,414,253.28
15,553.38	15,553.38
537,366.22	537,366.22
	0.00
	0.00
	0.00
27,932,060.60	27,932,060.60
(901,965.09)	(901,965.09)
20,861,499.62	20,861,499.62
	0.00
19,959,534.53	19,959,534.53

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

DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2016

	Account Number	General 100	Other Federal Programs 420	Nonvoted Capital Improvement Fund 370	Other Governmental Funds	Total Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>						
<b>ASSETS</b>						
Cash and Cash Equivalents	1110	170,503.60	0.00	409,225.02	628,751.11	1,208,479.73
Investments	1160	2,643,349.24	0.00	135,007.20	0.00	2,778,356.44
Due From Other Agencies	1220	370,519.87	896,747.05	831.08	319,071.09	1,587,169.09
Due From Budgetary Funds	1141	0.00	0.00	765,171.78	0.00	765,171.78
Inventory	1150	113,588.23	0.00	0.00	52,811.80	166,400.03
<b>Total Assets</b>		3,297,960.94	896,747.05	1,310,235.08	1,000,634.00	6,505,577.07
<b>Total Assets and Deferred Outflows of Resources</b>		3,297,960.94	896,747.05	1,310,235.08	1,000,634.00	6,505,577.07
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Payroll Deductions and Withholdings	2170	111,260.10	16,426.63	0.00	4,998.40	132,685.13
Accounts Payable	2120	138,501.00	51,835.93	11,443.27	0.00	201,780.20
Due to Other Agencies	2230	212,925.48	27,923.85	0.00	8,635.85	249,485.18
Due to Budgetary Funds	2161	210,583.87	795,211.61	0.00	22,217.34	1,028,012.82
Construction Contracts Payable - Retained Percentage	2150	0.00	0.00	7,225.80	0.00	7,225.80
Unearned Revenue	2410	0.00	5,349.03	0.00	0.00	5,349.03
<b>Total Liabilities</b>		673,270.45	896,747.05	18,669.07	35,851.59	1,624,538.16
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Revenues	2630	0.00	0.00	0.00	694.10	694.10
<b>Total Deferred Inflows of Resources</b>		0.00	0.00	0.00	694.10	694.10
<b>FUND BALANCES</b>						
<i>Nonspendable:</i>						
Inventory	2711	113,588.23	0.00	0.00	52,811.80	166,400.03
<i>Total Nonspendable Fund Balances</i>	2710	113,588.23	0.00	0.00	52,811.80	166,400.03
<i>Restricted for:</i>						
Federal Required Carryover Programs	2722	0.00	0.00	0.00	301,009.71	301,009.71
State Required Carryover Programs	2723	418,431.85	0.00	0.00	0.00	418,431.85
Capital Projects	2726	0.00	0.00	1,291,566.01	610,266.80	1,901,832.81
<i>Total Restricted Fund Balances</i>	2720	418,431.85	0.00	1,291,566.01	911,276.51	2,621,274.37
<i>Assigned to:</i>						
Assigned for Board Approved Budget Items	2749	526,877.00	0.00	0.00	0.00	526,877.00
<i>Total Assigned Fund Balances</i>	2740	526,877.00	0.00	0.00	0.00	526,877.00
<i>Total Unassigned Fund Balances</i>	2750	1,565,793.41	0.00	0.00	0.00	1,565,793.41
<b>Total Fund Balances</b>	2700	2,624,690.49	0.00	1,291,566.01	964,088.31	4,880,344.81
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>		3,297,960.94	896,747.05	1,310,235.08	1,000,634.00	6,505,577.07

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
For the Fiscal Year Ended June 30, 2016**

**Total Fund Balances - Governmental Funds** 4,880,344.81

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

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 29,348,312.02

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 341,865.70

Long-term liabilities are not due and payable in the fiscal year and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Compensated Absences Payable	(3,160,819.00)
Other Postemployment Benefits Payable	(1,195,247.00)
Net Pension Liability	(11,548,681.99)

Deferred outflows of resources and deferred inflows of resources related to the cost-sharing pensions are applicable to future periods and, therefore, are not reported in the governmental funds.

Deferred Outflows Related to Pensions	6,046,030.99
Deferred Inflows Related to Pensions	(4,752,271.00)

**Total Net Position - Governmental Activities** 19,959,534.53

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2016**

	Account Number	General 100	Other Federal Programs 420	Federal Economic Stimulus Programs 430	Nonvoted Capital Improvement Fund 370	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>							
Federal Direct	3100	59,737.17	1,340,315.09	0.00	0.00	0.00	1,400,052.26
Federal Through State and Local	3200	328,520.53	2,750,396.81	16,268.96	0.00	1,590,508.63	4,685,694.93
State Sources	3300	13,479,183.28	0.00	0.00	0.00	377,383.09	13,856,566.37
<i>Local Sources:</i>							
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423	7,951,451.47	0.00	0.00	0.00	0.00	7,951,451.47
Property Taxes Levied, Tax Redemptions and Excess Fees for Capital Projects	3413, 3421, 3423	0.00	0.00	0.00	2,013,436.25	0.00	2,013,436.25
Charges for Service - Food Service	345X	0.00	0.00	0.00	0.00	121,392.16	121,392.16
Other Local Revenue		1,025,170.63	31,657.36	0.00	6,739.63	1,842.26	1,065,409.88
Total Local Sources	3400	8,976,622.10	31,657.36	0.00	2,020,175.88	123,234.42	11,151,689.76
<b>Total Revenues</b>		22,844,063.08	4,122,369.26	16,268.96	2,020,175.88	2,091,126.14	31,094,003.32
<b>EXPENDITURES</b>							
<i>Current:</i>							
Instruction	5000	13,234,362.62	1,641,704.55	10,894.69	0.00	0.00	14,886,961.86
Student Support Services	6100	1,274,081.27	481,420.70	0.00	0.00	0.00	1,755,501.97
Instructional Media Services	6200	279,447.69	0.00	0.00	0.00	0.00	279,447.69
Instruction and Curriculum Development Services	6300	860,063.47	595,824.29	0.00	0.00	0.00	1,455,887.76
Instructional Staff Training Services	6400	60,052.22	176,774.97	3,884.68	0.00	0.00	240,711.87
Instruction-Related Technology	6500	291,168.28	0.00	0.00	0.00	0.00	291,168.28
Board	7100	265,550.74	0.00	0.00	0.00	0.00	265,550.74
General Administration	7200	361,608.19	104,200.30	0.00	0.00	0.00	465,808.49
School Administration	7300	1,781,074.33	128,479.67	0.00	0.00	0.00	1,909,554.00
Facilities Acquisition and Construction	7410	396,133.23	0.00	0.00	0.00	0.00	396,133.23
Fiscal Services	7500	332,184.54	0.00	0.00	0.00	0.00	332,184.54
Food Services	7600	1,298.68	0.00	0.00	0.00	1,708,776.08	1,710,074.76
Central Services	7700	321,408.34	613.25	0.00	0.00	0.00	322,021.59
Student Transportation Services	7800	1,416,931.64	143,395.52	0.00	0.00	0.00	1,560,327.16
Operation of Plant	7900	2,260,124.42	45,810.11	0.00	0.00	0.00	2,305,934.53
Maintenance of Plant	8100	308,050.56	0.00	0.00	0.00	0.00	308,050.56
Administrative Technology Services	8200	297,981.52	0.00	0.00	0.00	0.00	297,981.52
Community Services	9100	162,550.17	797,645.66	0.00	0.00	0.00	960,195.83
<i>Debt Service: (Function 9200)</i>							
Dues and Fees	730	0.00	0.00	0.00	0.00	75.28	75.28
<i>Capital Outlay:</i>							
Facilities Acquisition and Construction	7420	0.00	0.00	0.00	2,845,691.18	60,415.76	2,906,106.94
Other Capital Outlay	9300	44,327.85	6,500.24	1,489.59	0.00	0.00	52,317.68
<b>Total Expenditures</b>		23,948,399.76	4,122,369.26	16,268.96	2,845,691.18	1,769,267.12	32,701,996.28
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		(1,104,336.68)	0.00	0.00	(825,515.30)	321,859.02	(1,607,992.96)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	3600	367,799.88	0.00	0.00	0.00	0.00	367,799.88
Transfers Out	9700	0.00	0.00	0.00	(367,799.88)	0.00	(367,799.88)
<b>Total Other Financing Sources (Uses)</b>		367,799.88	0.00	0.00	(367,799.88)	0.00	0.00
<b>Net Change in Fund Balances</b>		(736,536.80)	0.00	0.00	(1,193,315.18)	321,859.02	(1,607,992.96)
Fund Balances, July 1, 2015	2800	3,361,227.29	0.00	0.00	2,484,881.19	642,229.29	6,488,337.77
Adjustments to Fund Balances	2891	0.00	0.00	0.00	0.00	0.00	0.00
Fund Balances, June 30, 2016	2700	2,624,690.49	0.00	0.00	1,291,566.01	964,088.31	4,880,344.81

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2016**

**Net Change in Fund Balances - Governmental Funds** (1,607,992.96)

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 a depreciation expense. This is the amount of depreciation expense in excess of capital outlays in the current period. 645,535.14

The statement of activities reflects only the gain/loss on the sale of assets, whereas the governmental funds include all proceeds from these sales. Thus, the change in net position differs from the change in fund balances by the cost of assets sold. (115,186.51)

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current fiscal year. (6,380.48)

Other postemployment benefits cost are recorded in the statement of activities under the full accrual basis of accounting, but are not recorded in the governmental funds until paid. This is the net increase in the other postemployment benefits liability for the current fiscal year. (169,210.00)

Governmental funds report district pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.

FRS Pension Contribution	991,526.00
HIS Pension Contribution	285,938.00
FRS Pension Expense	(404,353.00)
HIS Pension Expense	(448,490.00)

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue of internal service funds is reported with governmental activities. 241,160.92

Certain funds due from other agencies are not available, and therefore, not recognized as revenue in the governmental fund statements. However, funds are recognized as revenue under the full accrual basis of accounting in the statement of activities. (14,118.51)

Long-term liabilities are not due and payable in the fiscal year and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Compensated Absences Payable	(300,393.69)
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**Change in Net Position of Governmental Activities** (901,965.09)

## **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **A. Description of Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Taylor County School District (District). All fiduciary activities are reported only in the fund financial statements. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expense associated with the District's transportation department is allocated to the student transportation services function, while remaining depreciation expense is not readily associated with a particular function and is reported as unallocated.

### **B. Reporting Entity**

The Taylor County District School Board (Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting purposes. The District is considered part of the Florida system of public education, operates under the general direction of the Florida Department of Education, and is governed by State law and State Board of Education (SBE) rules. The governing body of the District is the Board, which is composed of five elected members. The elected Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Taylor County.

Criteria for determining if other entities are potential component units that should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any legally separate entities for which the Board is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading. Based on these criteria, no component units are included within the District's reporting entity.

### **C. Basis of Presentation: Government-wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The effects of interfund activity have been eliminated from the government-wide financial statements except for interfund services provided and used.

### **D. Basis of Presentation: Fund Financial Statements**

The fund financial statements provide information about the District's funds, including the fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue – Other Fund – to account for certain Federal grant program resources.
- Special Revenue – Federal Economic Stimulus Fund – to account for certain Federal grant program resources related to the American Recovery and Reinvestment Act (ARRA).
- Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, new and replacement equipment, and motor vehicle (bus) purchases.

Additionally, the District reports the following proprietary and fiduciary fund types:

- Internal Service Fund – to account for the District's individual self-insurance programs.
- Agency Funds – to account for resources of the school internal funds, which are used to administer moneys collected at several schools in connection with school, student athletic, class, and club activities.

During the course of operations the District has activity between funds for various purposes. Any residual balances outstanding at fiscal year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, transfers between the funds included in governmental activities are eliminated in the preparation of the government-wide financial statements.

## **E. Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to

be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting. However, other postemployment benefits and compensated absences, are only recorded when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Allocations of cost, such as depreciation, are not recognized in governmental funds.

The proprietary fund is reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting assets and liabilities.

## **F. Assets, Liabilities, and Net Position/Fund Balance**

### **1. Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term, highly liquid investments with original maturities of three months or less. Investments classified as cash equivalents include amounts placed with the State Board of Administration (SBA) in Florida PRIME, formerly known as the Local Government Surplus Funds Trust Fund Investment Pool.

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

### **2. Investments**

Investments consist of amounts placed with the SBA for participation in the Florida PRIME created by Sections 218.405 and 218.417, Florida Statutes, and those made locally. These investment pools operate under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in Florida PRIME, which the SBA indicates is a Securities and Exchange Commission (SEC) Rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost.

Investments made locally consist of amounts placed in intergovernmental investment pools and are reported at fair value. Types and amounts of investments held at fiscal year-end are described in a subsequent note.

### **3. Inventories**

Inventories consist of expendable supplies, transportation supplies, and fuel held for consumption in the course of District operations. Inventories are stated at cost based on last invoice price, which approximates the first-in, first-out basis, except that the United States Department of Agriculture donated foods are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than purchased.

#### **4. Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$750. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation.

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

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other Than Buildings	20 years
Buildings and Fixed Equipment	10 - 50 years
Furniture, Fixtures, and Equipment	3 - 15 years
Motor Vehicles	5 - 10 years
Audio Visual Materials and Computer Software	5 years

Current year information relative to changes in capital assets is described in a subsequent note.

#### **5. Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. In the governmental fund financial statements long-term obligations are not recognized as liabilities until due.

Changes in long-term liabilities for the current year are reported in a subsequent note.

#### **6. Net Position Flow Assumption**

The District occasionally funds outlays for a particular purpose from both restricted (e.g., restricted grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. Consequently, it is the District's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

#### **7. Fund Balance Flow Assumptions**

The District may fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when components of unrestricted fund

balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

## **8. Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification may include amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District reported no committed fund balance at June 30, 2015.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board has by adoption of Board Policy 9.10 authorized the Superintendent and Finance Director to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

## **G. Revenues and Expenditures/Expenses**

### **1. Program Revenues**

Amounts reported as program revenues include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

### **2. State Revenue Sources**

Significant revenues from State sources for current operations include the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of five months following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data.



Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. SBE rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided, and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same educational programs. The Department generally requires that these educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental fund financial statements for the balance of categorical and earmarked educational program resources.

The District received an allocation under the Classrooms First program. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department. Accordingly, the District recognizes the allocation of Classrooms First program funds as advanced revenue until such time as an encumbrance authorization is received.

A schedule of revenue from State sources for the current year is presented in a subsequent note.

### **3. District Property Taxes**

The Board is authorized by State law to levy property taxes for district school operations, capital improvements, and debt service.

Property taxes consist of ad valorem taxes on real and personal property within the District. Property values are determined by the Taylor County Property Appraiser, and property taxes are collected by the Taylor County Tax Collector.

The Board adopted the 2015 tax levy on September 15, 2015. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

Taxes become a lien on the property on January 1, and are delinquent on April 1, of the year following the year of assessment. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes, and for enforcement of collection of real property taxes by the sale of interest-bearing tax certificates to satisfy unpaid taxes. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Taylor County Tax Collector at fiscal year-end but not yet remitted to the District.

Millages and taxes levied for the current year are presented in a subsequent note.

### **4. Federal Revenue Sources**

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

## **5. Compensated Absences**

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability for these amounts is reported in the governmental fund financial statements only if it has matured, such as for occurrences of employee resignations and retirements. The liability for compensated absences includes salary-related benefits, where applicable.

## **6. Proprietary Fund Operating and Nonoperating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for employee health insurance premiums. Operating expenses include insurance claims and purchased services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

# **II. ACCOUNTING CHANGES**

## **A. Governmental Accounting Standards Board Statement No. 68.**

The District participates in the FRS defined benefit pension plan and the HIS defined benefit plan administered by Florida Division of Retirement. As a participating employer, the District implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions, which requires employers participating in cost-sharing multiple employer defined benefit pension plans to report the employers' proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans.

# **III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS**

## **A. Cash Deposits with Financial Institutions**

*Custodial Credit Risk-Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to the District. The District does not have a policy for custodial credit risk. All bank balances of the District are fully insured or collateralized as required by Chapter 280, Florida Statutes.

Cash balances from all funds are combined and invested to extent available. Earnings are allocated monthly to each fund based on average daily balances.

## B. Investments

As of June 30, 2016, the District had the following investments and maturities:

Investments	Maturities	Fair Value
SBA:		
Florida PRIME (1)	39 Day Average	\$ 259,889.21
Florida Fixed Income Trust (FIT):		
Florida FIT CP Pool	.13 Years	2,518,467.23
Total Investments		<u>\$ 2,778,356.44</u>

Notes: (1) This investment is reported as a cash equivalent for financial statement reporting purposes.

### ➤ Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policy limits investments to shares in open-end, no-load mutual funds which invest primarily in short term government bonds. The mutual fund investment objective must see a high level of income over the long term consistent with preservation of capital.

Florida PRIME had a weighted average days to maturity (WAM) of 39 days at June 30, 2016. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

### ➤ Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Section 218.415(17), Florida Statutes, limits investments to the SBA's Florida PRIME, or any other intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits in qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury. The District does not have a formal investment policy that limits its investment choices.

The District's investment in Florida PRIME is rated AAAM by Standard & Poor's.

The District's investment in Florida FIT is rated AAA by Standard & Poor's.

### C. Changes in Capital Assets

Changes in capital assets are presented in the table below:

	Beginning Balance	Additions	Deletions	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 864,763.41	\$ 231,431.96	\$	\$ 1,096,195.37
Land Improvements	238,072.41			238,072.41
Construction in Progress	189,868.30	65,032.20	189,868.30	65,032.20
Total Capital Assets Not Being Depreciated	1,292,704.12	296,464.16	189,868.30	1,399,299.98
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	578,035.76	90,280.00		668,315.76
Buildings and Fixed Equipment	42,278,090.27	683,647.00		42,961,737.27
Furniture, Fixtures, and Equipment	6,056,608.08	307,377.28	801,241.82	5,562,743.54
Motor Vehicles	4,780,523.40	875,904.00	790,089.00	4,866,338.40
Audio Visual Materials and Computer Software	85,975.19		23,410.62	62,564.57
Total Capital Assets Being Depreciated	53,779,232.70	1,957,208.28	1,614,741.44	54,121,699.54
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	90,129.31	33,415.79		123,545.10
Buildings and Fixed Equipment	18,680,645.56	563,523.25		19,244,168.81
Furniture, Fixtures, and Equipment	4,066,170.28	485,987.02	788,611.72	3,763,545.58
Motor Vehicles	3,331,053.09	335,342.94	687,532.59	2,978,863.44
Audio Visual Materials and Computer Software	85,975.19	-	23,410.62	62,564.57
Total Accumulated Depreciation	26,253,973.43	1,418,269.00	1,499,554.93	26,172,687.50
Total Capital Assets Being Depreciated, Net	27,525,259.27	538,939.28	115,186.51	27,949,012.04
Governmental Activities Capital Assets, Net	\$ 28,817,963.39	\$ 835,403.44	\$ 305,054.81	\$ 29,348,312.02

Depreciation expense was charged to functions as follows:

Function	Amount
GOVERNMENTAL ACTIVITIES	
Student Transportation Services	\$ 206,246.86
Unallocated	1,212,022.14
Total Depreciation Expense - Governmental Activities	<u>\$1,418,269.00</u>

## **D. Pension Obligations**

### **1. Florida Retirement System**

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered Florida Retirement System (FRS). Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the Florida Retirement System Investment Plan (Investment Plan). A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

The District's pension expense totaled \$852,844 for the fiscal year ended June 30, 2016.

#### **FRS Pension Plan**

*Plan Description.* The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

*Benefits Provided.* Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<b><u>Class, Initial Enrollment, and Retirement Age/Years of Service</u></b>	<b><u>% Value</u></b>
<b><i>Regular Class members initially enrolled before July 1, 2011</i></b>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<b><i>Regular Class members initially enrolled on or after July 1, 2011</i></b>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<b><i>Elected County Officers</i></b>	<b>3.00</b>

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

*Contributions.* The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2015-16 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	7.26
FRS, Elected County Officers	3.00	42.27
DROP - Applicable to Members from All of the Above Classes	0.00	12.88
FRS, Reemployed Retiree	(2)	(2)

Notes: (1) Employer rates include 1.26 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.04 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The District's contributions, including employee contributions, to the Plan totaled \$991,526 for the fiscal year ended June 30, 2016. This excludes the HIS defined benefit pension plan contributions.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At June 30, 2016, the District reported a liability of \$5,756,192 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The District's proportionate share of the net pension liability was based on the District's 2015-16 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the District's proportionate share was .000445652 percent, which was a decrease of .000001406 from its proportionate share measured as of June 30, 2014.

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$404,353 related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ .
Change of assumptions	382,058	
Net difference between projected and actual earnings on FRS pension plan investments	607,683	1,374,482
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	18,449	136,519 45,858
District FRS contributions subsequent to the measurement date	991,526	
<b>Total</b>	<b>\$ 1,999,716.00</b>	<b>\$ 1,556,859.00</b>

The deferred outflows of resources related to pensions, totaling \$991,526, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016. Other amounts reported as deferred outflows

of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2016	\$ (856,445)
2017	(856,445)
2018	(856,445)
2019	(856,445)
2020	(856,445)
Thereafter	62,253

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

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	7.65 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

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

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.00%	3.11%	3.10%	1.65%
Intermediate-Term Bonds	18.00%	4.18%	4.05%	5.15%
High Yield Bonds	3.00%	6.79%	6.25%	10.95%
Broad US Equities	26.50%	8.51%	6.95%	18.90%
Developed Foreign Equities	21.20%	8.66%	6.85%	20.40%
Emerging Market Equities	5.30%	11.58%	7.60%	31.15%
Private Equity	6.00%	11.80%	8.11%	30.00%
Hedge Funds / Absolute Return	7.00%	5.81%	5.35%	10.00%
Real Estate (Property)	12.00%	7.11%	6.35%	13.00%
<b>Total</b>	<b>100.00%</b>			
Assumed inflation - Mean		2.60%		2.00%

Note: (1) As outlined in the Plan's investment policy



Discount Rate. The discount rate used to measure the total pension liability was 7.65 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.65 percent) or 1-percentage-point higher (8.65 percent) than the current rate:

	<b>1% Decrease (6.65%)</b>	<b>Current Discount Rate (7.65%)</b>	<b>1% Increase (8.65%)</b>
District's proportionate share of the net pension liability	\$ 11,593,403	\$ 2,710,555	\$ (4,678,280)

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

### **HIS Pension Plan**

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

Benefits Provided. For the fiscal year ended June 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2015, the contribution rate was 1.26 percent of payroll pursuant to section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$285,938 for the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2016, the District reported a net pension liability of \$5,792,489 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The District's proportionate share of the net pension liability was based on the District's 2014-15 fiscal year contributions relative to the total 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the District's proportionate share was .000567979 percent, which was an increase of .000014359 from its proportionate share measured as of June 30, 2014.

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$448,491 related to the HIS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Change of assumptions	455,718	
Net difference between projected and actual earnings on HIS pension plan investments	-	(3,136)
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	111,444	5,331
District contributions subsequent to the measurement date	285,938	
<b>Total</b>	<b>\$ 853,100</b>	<b>\$ 2,195</b>

The deferred outflows of resources related to pensions, totaling \$285,938, resulting from District contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2017	\$ 91,402
2018	91,402
2019	91,402
2020	91,402
2021	90,618
Thereafter	108,741

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



Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	3.80 percent

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

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

*Discount Rate.* The discount rate used to measure the total pension liability was 3.80 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index

*Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.* The following presents the District's proportionate share of the net pension liability calculated using the discount rate 3.80 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.80 percent) or 1-percentage-point higher (4.80 percent) than the current rate:

	 <b>Decrease (2.80%)</b>	<b>Discount Rate 3.80%</b>	 <b>Increase (4.80%)</b>
District's proportionate share of the net pension liability	\$ 6,600,271	\$ 5,792,488	\$ 5,118,919

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

## **1. FRS – Defined Contribution Pension Plan**

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts during the 2015-16 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	6.30
FRS, Elected County Officers	11.34

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended June 30, 2015, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income. The District's Investment Plan pension expense totaled \$98,894.65 for the fiscal year ended June 30, 2015.

#### **E. Other Postemployment Benefit Obligations**

**Plan Description.** The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the District are eligible to participate in the District's health and hospitalization plan for medical and prescription drug coverage. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The District does not offer any explicit subsidies for retiree coverage. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The OPEB Plan does not issue a stand-alone report, and is not included in the report of a public employee retirement system or other entity.

**Funding Policy.** Plan contribution requirements of the District and OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advance-funded or established a funding methodology for the annual OPEB costs or the net OPEB obligation, and the OPEB Plan is financed on a pay-as-you-go basis. For the 2015-16 fiscal year, 38 retirees received other postemployment benefits. The District provided required contributions of

\$192,261 toward the annual OPEB cost, net of retiree contributions totaling \$303,376, which represents 2.3 percent of covered payroll.

**Annual OPEB Cost and Net OPEB Obligation.** The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the District's annual OPEB cost for the fiscal year, the amount actually contributed to the OPEB Plan, and changes in the District's net OPEB obligation:

<u>Description</u>	<u>Amount</u>
Normal Cost (service cost for one year)	\$ 125,288
Amortization of Unfunded Actuarial Accrued Liability	<u>274,586</u>
Annual Required Contribution	399,874
Interest on Net OPEB Obligation	34,885
Adjustment to Annual Required Contribution	<u>(73,288)</u>
Annual OPEB Cost (Expense)	361,471
Contribution Toward the OPEB Cost	<u>(192,261)</u>
Increase in Net OPEB Obligation	169,210
Net OPEB Obligation, Beginning of Year	<u>1,026,037</u>
Net OPEB Obligation, End of Year	<u><u>\$ 1,195,247</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the OPEB Plan, and the net OPEB obligation as of June 30, 2016, and the two preceding fiscal years, were as follows:

	<u>OPEB Cost</u>	<u>Annual OPEB Cost Contributed</u>	<u>Obligation</u>
2013-14	\$ 321,578	48.10%	\$ 866,605
2014-15	353,591	54.91%	1,026,037
2015-16	361,471	53.19%	1,195,247

**Funded Status and Funding Progress.** As of October 1, 2014, the most recent valuation date, the actuarial accrued liability for benefits was \$3,656,161, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$3,656,161, and a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was \$9,432,318, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 38.76 percent.

Actuarial valuations of an ongoing OPEB Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the OPEB Plan and the annual required contributions of the employer are

subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The required schedule of funding progress immediately following the notes to financial statements presents multiyear trend information about whether the actuarial value of OPEB Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive OPEB Plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The District's OPEB actuarial valuation as of October 1, 2014, used the entry age normal cost actuarial method to estimate the unfunded actuarial liability as of June 30, 2016, and to estimate the District's 2015-16 fiscal year annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 3.4 percent rate of return on invested assets, which is the District's long-term expectation of investment returns under its investment policy. The actuarial assumptions also included a payroll growth rate of 3.4 percent per year, and an annual healthcare cost trend rate of 7.5 percent initially beginning October 1, 2015, reduced by 0.5 percent per year, to a rate of 6 percent after October 1, 2019, and then decreasing to an ultimate rate of 4.24 percent on October 1, 2040. The investment rate of return and payroll growth rate include a general price inflation of 2.5 percent. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis over a 30-year period. The remaining amortization period at June 30, 2014, was 14 years.

#### **F. Construction and Other Significant Commitments**

**Encumbrances.** Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

The following is a schedule of encumbrances at June 30, 2016:

<b>Major Funds</b>				
<b>General</b>	<b>Special Revenue - Other</b>	<b>Capital Projects - Local Capital Improvement</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<u>\$526,877.00</u>	<u>\$ -</u>	<u>\$ 1,483,375.87</u>	<u>\$ -</u>	<u>\$ 2,010,252.87</u>

**Construction Contracts.** Encumbrances include the following major construction contract commitments at fiscal year-end:

Project	Contract Amount	Completed to Date	Balance Committed
HVAC System Upgrade TTI Bldg A	\$ 65,574.39	\$ -	\$ 65,574.39
TCHS Gutter Project	\$ 73,943.00	\$ 65,032.20	\$ 8,910.80
Transportation Renovation & Addition	\$ 254,034.00	\$ -	\$ 254,034.00

#### **G. Risk Management Programs**

The District 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. The District participates in a group self-insurance program administered by the Florida School Boards Association, Inc. The District's covered risks relating to property protection, general liability, automobile liability, workers' compensation, money and securities, employee fidelity and faithful performance, boiler and machinery, and other coverage deemed necessary by the members are included in the group program. Section 1001.42(12)(k), Florida Statutes, provides the authority for the District to enter into such a risk management program. The program is self-sustaining through member assessments (premiums), and purchases coverage through commercial companies for the claims in excess of specified amounts.

The District has established self-insurance programs for its employee health and hospitalization coverage. The District's health and hospitalization insurance program is being provided on a self-insurance basis up to specified limits. The District has entered into an agreement with a commercial insurance company to provide specific excess coverage of amounts above the stated amount on an individual claim basis, and aggregate excess coverage when total claims exceed a loss limit established by the policy. The District has also contracted with a commercial insurance company to administer the terms of the programs under an agreement wherein the claims for benefits are paid by the insurance company, which is subsequently reimbursed by the District for claims paid plus an administrative expense. The District reports the financial transactions of its employee group insurance programs in an internal service fund.

Settled claims resulting from the risks described above have not exceeded commercial insurance coverage in any of the past three fiscal years.

A liability in the amount of \$246,463 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable at June 30, 2016.

The following schedule represents the changes in claims liability for the past two fiscal years for the District's self-insurance program:

Beginning of Fiscal Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Year-End Liability
\$ 225,185	\$ 2,130,106	\$ (2,098,637)	\$ 256,655
256,655	2,068,508	(2,078,700)	246,463

## H. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities:

Description	Beginning Balance	Additions	Deductions	Ending Balance	Due In One Year
GOVERNMENTAL ACTIVITIES					
Compensated Absences Payable	\$ 2,854,044.83	\$ 306,774.17	\$ 300,393.69	\$ 2,860,425.31	\$ 300,393.69
Other Postemployment Benefits Payable	1,026,037.00	361,471.00	192,261.00	1,195,247.00	
Pension Liability	7,887,033.00	7,180,464.00	3,518,815.00	11,548,682.00	
Total Governmental Activities	<u>\$ 11,767,114.83</u>	<u>\$ 7,848,709.17</u>	<u>\$ 4,011,469.69</u>	<u>\$ 15,604,354.31</u>	<u>\$ 300,393.69</u>

For the governmental activities, compensated absences and other postemployment benefits are generally liquidated with resources of the General Fund.

## I. Fund Balance Reporting

In addition to committed and assigned fund balance categories discussed in the **Fund Balance Policies** note disclosure, fund balances may be classified as follows:

- **Nonspendable Fund Balance.** Nonspendable fund balance is the net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash.
- **Restricted Fund Balance.** Restricted fund balance is the portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance.
- **Unassigned Fund Balance.** The unassigned fund balance is the portion of fund balance that is the residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes.

## J. Interfund Receivables and Payables

The following is a summary of interfund receivables and payables reported in the fund financial statements:

Funds	Interfund	
	Receivables	Payables
Major:		
General	\$ -	\$ 210,583.87
Special Revenue:		
Other		795,211.61
Federal Economic Stimulus		-
Nonmajor Governmental	765,171.78	22,217.34
Internal Service	262,841.04	
Total	<u>\$ 1,028,012.82</u>	<u>\$ 1,028,012.82</u>



The receivables and payables generally occurred during the normal course of District operations, except that amounts due to the General Fund represent temporary loans to cover cash deficits. These amounts are expected to be repaid within one year.

**K. Revenues and Expenditures/Expenses**

**1. Schedule of State Revenue Sources**

The following is a schedule of the District's State revenue sources for the 2015-16 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 8,768,274.00
Categorical Educational Program - Class Size Reduction	2,790,668.00
Workforce Development Program	971,512.00
Voluntary Prekindergarten Program (VPK)	229,827.30
Classrooms First Program	130,743.00
Motor Vehicle License Tax (Capital Outlay and Debt Service)	116,818.23
Miscellaneous	411,311.54
Total	<u>\$ 13,419,154.07</u>

Accounting policies relating to certain State revenue sources are described in note I.G.2.

**2. Property Taxes**

The following is a summary of millages and taxes levied on the 2015 tax roll for the 2015-16 fiscal year:

	<u>Millages</u>	<u>Taxes Levied</u>
<u>GENERAL FUND</u>		
Nonvoted School Tax:		
Required Local Effort	4.925	\$ 6,556,519.00
Basic Discretionary Local Effort	0.748	995,792.00
Critical Operating Needs	0.250	332,818.00
<u>CAPITAL PROJECTS FUNDS</u>		
Nonvoted Tax:		
Local Capital Improvements	1.500	1,996,909.00
Total	<u>7.423</u>	<u>\$ 9,882,038.00</u>

**L. Interfund Transfers**

The following is a summary of interfund transfers reported in the fund financial statements:

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 367,799.88	\$
Capital Projects:		
Local Capital Improvement		367,799.88
Total	<u>\$ 367,799.88</u>	<u>\$ 367,799.88</u>

The transfer to the General Fund was made to move restricted revenues to offset property and casualty insurance premiums.

#### **IV. BUDGETARY BASIS OF ACCOUNTING**

The Board follows procedures established by State statutes and State Board of Education (SBE) rules in establishing budget balances for governmental funds, as described below:

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and SBE rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student personnel services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

#### **V. SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS**

The October 1, 2014, unfunded actuarial accrued liability of \$3,656,161 was slightly higher than the October 1, 2012, liability of \$3,274,375 as a result of benefit changes and other changes in liabilities and costs as discussed below:

- Population Changes: The number of enrolled retirees currently receiving postemployment health benefits decreased from 44 in the previous valuation to 43 in the current valuation. At the same time, the number of active employees eligible for future postemployment benefits increased from 253 to 264. This had an increasing effect on the cost and liabilities.
- Initial Cost of Coverage: Total cost of coverage increased from \$469 per employee per month (as expected from the year beginning October 1, 2012) to \$609 per employee per month for the year beginning October 1, 2014. This is higher than the projected \$549 per employee per month. This change had an increased effect on the cost and liabilities.
- Medical Trend Assumptions: Revisions were made in the assumed trend for medical and prescription costs increases. In the previous valuation, the trends for costs and premiums were assumed to be 7.5 percent for each year beginning October 1, 2015, with subsequent trend rates decreasing 0.5 percent each year thereafter to the ultimate value of 5 percent. The trends for costs and premiums charged to retirees the year beginning October 1, 2015 are assumed to decline over a 25-year period from 7.5 percent to the ultimate level of 4.24 percent. This change had a decreasing effect on the cost and liabilities.
- Reflecting Provisions of the Affordable Care Act: Previous valuations estimated that the District Plan will assess the Excise Tax beginning with the 2044 plan year at a rate of .43 percent increase in trend for the 2044 plan year and all subsequent years. It is now estimated that the District Plan is projected to be assessed the Excise Tax on High-Cost Employer Health Plans beginning with the 2054 plan year. It is estimated that absent any plan changes, this will result in a .25 percent increase in the cost of coverage for the 2054 plan year and all subsequent years, in addition to 4.24 percent medical inflation assumed for that year for a total increase of 4.49 percent over the 2053 plan year and all subsequent years. This change had a decreasing effect on the costs and liabilities.

- Changes in coverage election assumptions: With the most recent data furnished for this year's valuation the assumptions pertaining to retiree coverage elections have been refined. Retirees are assumed to become eligible for Medicare benefits and will discontinue coverage under the core plan at a rate of 80 percent, as they migrate to the Medicare Advantage option following recent increases in the contributions for post-65 coverage under the core plan (up from 75%). This is a higher lapsing assumption than used previously and it had a decreasing effect on the costs and liabilities.
- Demographic Assumptions: Certain demographic assumptions were revised to reflect changes made to the Florida Retirement System for its July 1, 2014, actuarial valuation, increasing effect costs and liabilities.

*TAYLOR COUNTY SCHOOL BOARD  
REQUIRED SUPPLEMENTARY INFORMATION  
For the Fiscal Year Ended June 30, 2016*

**Schedule of the District's Proportionate Share  
of The Net Pension Liability –  
Florida Retirement System Pension Plan(1)**

	<u>2015</u>	<u>2014</u>
District's proportion of the FRS net pension liability (asset)	0.04%	0.04%
District's proportionate share of the FRS net pension liability (asset)	\$ 5,756,192	\$ 2,710,555
District's covered-employee payroll	\$ 16,035,783	\$ 15,208,247
District's proportionate share of the FRS net pension liability (asset) as a percentage of its covered-employee payroll	35.90%	17.82%
FRS Plan fiduciary net position as a percentage of the total pension liability	92.00%	96.09%

Note: (1) The amounts presented for each fiscal year were determined as of June 30.

**Schedule of District Contributions –  
Florida Retirement System Pension Plan**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required FRS contribution	\$ 991,526	\$ 1,086,537	\$ 973,088
FRS contributions in relation to the contractually required contribution	991,526	1,086,537	973,088
FRS contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered-employee payroll	\$17,224,585	\$16,035,783	\$ 15,208,247
FRS contributions as a percentage of covered-employee payroll	5.76%	6.78%	6.40%

Note: (1) The amounts presented for each fiscal year were determined as of June 30.

*TAYLOR COUNTY SCHOOL BOARD  
REQUIRED SUPPLEMENTARY INFORMATION  
For the Fiscal Year Ended June 30, 2016*

**Schedule of the District's Proportionate Share  
of the Net Pension Liability –  
Health Insurance Subsidy Pension Plan**

	<u>2014</u>	<u>2013</u>
District's proportion of the HIS net pension liability (asset)	0.06%	0.06%
District's proportionate share of the HIS net pension liability (asset)	\$ 5,176,478	\$ 4,827,368
District's covered-employee payroll	\$ 16,448,410	\$ 16,119,693
District's proportionate share of the HIS net pension liability (asset) as a percentage of its covered-employee payroll	31.47%	29.35%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.99%	1.78%

Note: (1) The amounts presented for each fiscal year were determined as of June 30.

**Schedule of District Contributions –  
Health Insurance Subsidy Pension Plan**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required HIS contribution	\$ 285,938	\$ 217,117	\$ 189,651
HIS contributions in relation to the contractually required HIS contribution	285,938	217,117	189,651
HIS contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered-employee payroll	\$ 17,224,585	\$ 17,237,152	\$ 16,448,410
HIS contributions as a percentage of covered-employee payroll	1.66%	1.26%	1.15%

Note: (1) The amounts presented for each fiscal year were determined as of June 30.

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2016**

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
<b>REVENUES</b>					
Federal Direct	3100	58,600.00	58,600.00	59,737.17	1,137.17
Federal Through State and Local	3200	196,372.39	196,372.39	328,520.53	132,148.14
State Sources	3300	13,250,505.00	13,248,806.54	13,479,183.28	230,376.74
<i>Local Sources:</i>					
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423	7,885,129.00	7,885,129.00	7,951,451.47	66,322.47
Other Local Revenue		897,050.00	897,050.00	1,025,170.63	128,120.63
Total Local Sources	3400	8,782,179.00	8,782,179.00	8,976,622.10	194,443.10
<b>Total Revenues</b>		22,287,656.39	22,285,957.93	22,844,063.08	558,105.15
<b>EXPENDITURES</b>					
<i>Current:</i>					
Instruction	5000	13,624,219.14	14,251,722.19	13,234,362.62	1,017,359.57
Student Support Services	6100	1,497,958.58	1,299,533.41	1,274,081.27	25,452.14
Instructional Media Services	6200	271,872.21	284,448.09	279,447.69	5,000.40
Instruction and Curriculum Development Services	6300	849,891.52	892,797.89	860,063.47	32,734.42
Instructional Staff Training Services	6400	43,098.10	76,106.83	60,052.22	16,054.61
Instruction-Related Technology	6500	298,239.85	296,824.57	291,168.28	5,656.29
Board	7100	252,885.57	268,845.35	265,550.74	3,294.61
General Administration	7200	341,638.80	382,793.34	361,608.19	21,185.15
School Administration	7300	1,747,663.33	1,784,167.50	1,781,074.33	3,093.17
Facilities Acquisition and Construction	7410	401,326.18	413,913.86	396,133.23	17,780.63
Fiscal Services	7500	351,304.84	344,041.97	332,184.54	11,857.43
Food Services	7600	957.88	459.85	1,298.68	(838.83)
Central Services	7700	317,717.38	327,313.26	321,408.34	5,904.92
Student Transportation Services	7800	1,543,235.89	1,457,814.56	1,416,931.64	40,882.92
Operation of Plant	7900	2,957,121.80	2,456,307.12	2,260,124.42	196,182.70
Maintenance of Plant	8100	252,067.74	312,633.25	308,050.56	4,582.69
Administrative Technology Services	8200	298,658.43	330,416.73	297,981.52	32,435.21
Community Services	9100	109,699.49	161,230.23	162,550.17	(1,319.94)
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420			0.00	0.00
Other Capital Outlay	9300			44,327.85	(44,327.85)
<b>Total Expenditures</b>		25,159,556.73	25,341,370.00	23,948,399.76	1,392,970.24
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		(2,871,900.34)	(3,055,412.07)	(1,104,336.68)	1,951,075.39
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	3600	250,000.00	250,000.00	367,799.88	117,799.88
<b>Total Other Financing Sources (Uses)</b>		250,000.00	250,000.00	367,799.88	117,799.88
<b>SPECIAL ITEMS</b>				0.00	0.00
<b>EXTRAORDINARY ITEMS</b>				0.00	0.00
<b>Net Change in Fund Balances</b>		(2,621,900.34)	(2,805,412.07)	(736,536.80)	2,068,875.27
Fund Balances, July 1, 2015	2800	3,361,227.29	3,361,227.29	3,361,227.29	0.00
Fund Balances, June 30, 2016	2700	739,326.95	555,815.22	2,624,690.49	2,068,875.27

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUNDS - OTHER FEDERAL PROGRAMS**  
**For the Fiscal Year Ended June 30, 2016**

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
<b>REVENUES</b>					
Federal Direct	3100	713,238.96	1,584,671.96	1,340,315.09	(244,356.87)
Federal Through State and Local	3200	2,799,379.41	3,355,465.50	2,750,396.81	(605,068.69)
<i>Local Sources:</i>					
Other Local Revenue		1,713.03	36,995.39	31,657.36	(5,338.03)
Total Local Sources	3400	1,713.03	36,995.39	31,657.36	(5,338.03)
<b>Total Revenues</b>		3,514,331.40	4,977,132.85	4,122,369.26	(854,763.59)
<b>EXPENDITURES</b>					
<i>Current:</i>					
Instruction	5000	1,564,086.39	1,937,954.41	1,641,704.55	296,249.86
Student Support Services	6100	415,943.25	543,765.26	481,420.70	62,344.56
Instructional Media Services	6200			0.00	0.00
Instruction and Curriculum Development Services	6300	662,390.06	657,576.67	595,824.29	61,752.38
Instructional Staff Training Services	6400	230,347.09	249,795.03	176,774.97	73,020.06
Instruction-Related Technology	6500			0.00	0.00
Board	7100			0.00	0.00
General Administration	7200	220,999.45	192,398.47	104,200.30	88,198.17
School Administration	7300	84,772.13	144,078.85	128,479.67	15,599.18
Facilities Acquisition and Construction	7410		299.00	0.00	299.00
Fiscal Services	7500			0.00	0.00
Food Services	7600	11,234.15	22,499.15	0.00	22,499.15
Central Services	7700	2,265.03	3,546.98	613.25	2,933.73
Student Transportation Services	7800	118,409.91	180,522.01	143,395.52	37,126.49
Operation of Plant	7900	92,168.73	133,429.81	45,810.11	87,619.70
Maintenance of Plant	8100			0.00	0.00
Administrative Technology Services	8200			0.00	0.00
Community Services	9100	111,715.21	911,267.21	797,645.66	113,621.55
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420			0.00	0.00
Other Capital Outlay	9300			6,500.24	(6,500.24)
<b>Total Expenditures</b>		3,514,331.40	4,977,132.85	4,122,369.26	854,763.59
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		0.00	0.00	0.00	0.00
<b>Net Change in Fund Balances</b>		0.00	0.00	0.00	0.00
Fund Balances, July 1, 2015	2800	0.00	0.00	0.00	0.00
Adjustments to Fund Balances	2891			0.00	0.00
Fund Balances, June 30, 2016	2700	0.00	0.00	0.00	0.00



**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUNDS - FEDERAL ECONOMIC STIMULUS PROGRAMS**  
**For the Fiscal Year Ended June 30, 2016**

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
<b>REVENUES</b>					
Federal Through State and Local	3200	107,347.48	107,347.48	16,268.96	(91,078.52)
<b>Total Revenues</b>		107,347.48	107,347.48	16,268.96	(91,078.52)
<b>EXPENDITURES</b>					
<i>Current:</i>					
Instruction	5000	16,340.75	16,340.75	10,894.69	5,446.06
Student Support Services	6100			0.00	0.00
Instructional Media Services	6200			0.00	0.00
Instruction and Curriculum Development Services	6300			0.00	0.00
Instructional Staff Training Services	6400	88,124.60	88,124.60	3,884.68	84,239.92
Instruction-Related Technology	6500			0.00	0.00
Board	7100			0.00	0.00
General Administration	7200	2,882.13	2,882.13	0.00	2,882.13
School Administration	7300			0.00	0.00
Facilities Acquisition and Construction	7410			0.00	0.00
Fiscal Services	7500			0.00	0.00
Food Services	7600			0.00	0.00
Central Services	7700			0.00	0.00
Student Transportation Services	7800			0.00	0.00
Operation of Plant	7900			0.00	0.00
Maintenance of Plant	8100			0.00	0.00
Administrative Technology Services	8200			0.00	0.00
Community Services	9100			0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420			0.00	0.00
Other Capital Outlay	9300			1,489.59	(1,489.59)
<b>Total Expenditures</b>		107,347.48	107,347.48	16,268.96	91,078.52
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		0.00	0.00	0.00	0.00
<b>Net Change in Fund Balances</b>		0.00	0.00	0.00	0.00
Fund Balances, July 1, 2015	2800	0.00		0.00	0.00
Adjustments to Fund Balances	2891			0.00	0.00
Fund Balances, June 30, 2016	2700	0.00	0.00	0.00	0.00

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2016**

	Account Number	Special Revenue Funds	
		Food Services 410	Total Nonmajor Special Revenue Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
<b>ASSETS</b>			
Cash and Cash Equivalents	1110	321,128.78	321,128.78
Due From Other Agencies	1220	8,515.24	8,515.24
Inventory	1150	52,811.80	52,811.80
<b>Total Assets</b>		382,455.82	382,455.82
<b>Total Assets and Deferred Outflows of Resources</b>		382,455.82	382,455.82
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Payroll Deductions and Withholdings	2170	4,998.40	4,998.40
Due to Other Agencies	2230	8,635.85	8,635.85
Due to Budgetary Funds	2161	15,000.06	15,000.06
<b>Total Liabilities</b>		28,634.31	28,634.31
<b>FUND BALANCES</b>			
<i>Nonspendable:</i>			
Inventory	2711	52,811.80	52,811.80
<i>Total Nonspendable Fund Balances</i>	2710	52,811.80	52,811.80
<i>Restricted for:</i>			
Federal Required Carryover Programs	2722	301,009.71	301,009.71
<i>Total Restricted Fund Balances</i>	2720	301,009.71	301,009.71
<b>Total Fund Balances</b>	2700	353,821.51	353,821.51
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>		382,455.82	382,455.82

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

DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2016

	Account Number	Capital Projects Funds				
		Public Education Capital Outlay (PECO) 340	Capital Outlay and Debt Service 360	Nonvoted Capital Improvement Fund 370	Other Capital Projects 390	Total Nonmajor Capital Projects Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
ASSETS						
Cash and Cash Equivalents	1110	0.00	156,067.96	0.00	151,554.37	307,622.33
Due From Other Agencies	1220	60,948.21	694.10	0.00	248,913.54	310,555.85
Total Assets		60,948.21	156,762.06	0.00	400,467.91	618,178.18
Total Assets and Deferred Outflows of Resources		60,948.21	156,762.06	0.00	400,467.91	618,178.18
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Due to Budgetary Funds	2161	7,217.28	0.00	0.00	0.00	7,217.28
Total Liabilities		7,217.28	0.00	0.00	0.00	7,217.28
DEFERRED INFLOWS OF RESOURCES						
Deferred Revenues	2630	0.00	694.10	0.00	0.00	694.10
Total Deferred Inflows of Resources		0.00	694.10	0.00	0.00	694.10
FUND BALANCES						
Restricted for:						
Capital Projects	2726	53,730.93	156,067.96	0.00	400,467.91	610,266.80
Total Restricted Fund Balances	2720	53,730.93	156,067.96	0.00	400,467.91	610,266.80
Total Fund Balances	2700	53,730.93	156,067.96	0.00	400,467.91	610,266.80
Total Liabilities, Deferred Inflows of Resources and Fund Balances		60,948.21	156,762.06	0.00	400,467.91	618,178.18

The notes to financial statements are an integral part of this statement.  
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DISTRICT SCHOOL BOARD OF TAYLOR COUNTY  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2016

	Account Number	Capital Projects Funds				
		Public Education Capital Outlay (PECO) 340	Capital Outlay and Debt Service 360	Nonvoted Capital Improvement Fund 370	Other Capital Projects 390	Total Nonmajor Capital Projects Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
ASSETS						
Cash and Cash Equivalents	1110	0.00	156,067.96	0.00	151,554.37	307,622.33
Due From Other Agencies	1220	60,948.21	694.10	0.00	248,913.54	310,555.85
Total Assets		60,948.21	156,762.06	0.00	400,467.91	618,178.18
Total Assets and Deferred Outflows of Resources		60,948.21	156,762.06	0.00	400,467.91	618,178.18
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Due to Budgetary Funds	2161	7,217.28	0.00	0.00	0.00	7,217.28
Total Liabilities		7,217.28	0.00	0.00	0.00	7,217.28
DEFERRED INFLOWS OF RESOURCES						
Deferred Revenues	2630	0.00	694.10	0.00	0.00	694.10
Total Deferred Inflows of Resources		0.00	694.10	0.00	0.00	694.10
FUND BALANCES						
Restricted for:						
Capital Projects	2726	53,730.93	156,067.96	0.00	400,467.91	610,266.80
Total Restricted Fund Balances	2720	53,730.93	156,067.96	0.00	400,467.91	610,266.80
Total Fund Balances	2700	53,730.93	156,067.96	0.00	400,467.91	610,266.80
Total Liabilities, Deferred Inflows of Resources and Fund Balances		60,948.21	156,762.06	0.00	400,467.91	618,178.18

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2016**

	Account Number	Special Revenue Funds	
		Food Services 410	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>			
Federal Direct	3100	0.00	0.00
Federal Through State and Local	3200	1,590,508.63	1,590,508.63
State Sources	3300	26,108.00	26,108.00
<i>Local Sources:</i>			
Charges for Service - Food Service	345X	121,392.16	121,392.16
Other Local Revenue		1,842.26	1,842.26
Total Local Sources	3400	123,234.42	123,234.42
<b>Total Revenues</b>		1,739,851.05	1,739,851.05
<b>EXPENDITURES</b>			
<i>Current:</i>			
Food Services	7600	1,708,776.08	1,708,776.08
Central Services	7700	0.00	0.00
<b>Total Expenditures</b>		1,708,776.08	1,708,776.08
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		31,074.97	31,074.97
<b>Net Change in Fund Balances</b>		31,074.97	31,074.97
Fund Balances, July 1, 2015	2800	322,746.54	322,746.54
Fund Balances, June 30, 2016	2700	353,821.51	353,821.51

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2016**

	Account Number	Capital Projects Funds			
		Public Education Capital Outlay (PECO) 340	Capital Outlay and Debt Service 360	Other Capital Projects 390	Total Nonmajor Capital Projects Funds
<b>REVENUES</b>					
State Sources	3300	92,674.00	117,130.19	141,470.90	351,275.09
<i>Local Sources:</i>					
<b>Total Revenues</b>		92,674.00	117,130.19	141,470.90	351,275.09
<b>EXPENDITURES</b>					
<i>Current:</i>					
<i>Debt Service: (Function 9200)</i>					
Dues and Fees	730	0.00	75.28	0.00	75.28
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420	41,800.74	2,914.52	15,700.50	60,415.76
<b>Total Expenditures</b>		41,800.74	2,989.80	15,700.50	60,491.04
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		50,873.26	114,140.39	125,770.40	290,784.05
<b>Net Change in Fund Balances</b>		50,873.26	114,140.39	125,770.40	290,784.05
Fund Balances, July 1, 2015	2800	2,857.67	41,927.57	274,697.51	319,482.75
Fund Balances, June 30, 2016	2700	53,730.93	156,067.96	400,467.91	610,266.80

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**June 30, 2016**

	Account Number	Self-Insurance 711	Total Internal Service Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	1110	356,443.49	356,443.49
Due From Other Agencies	1220	7,387.62	7,387.62
Due From Budgetary Funds	1141	262,841.04	262,841.04
<b>Total Assets</b>		626,672.15	626,672.15
<b>LIABILITIES</b>			
Accounts Payable	2120	38,343.25	38,343.25
Estimated Unpaid Claims - Self-Insurance Program	2271	246,463.20	246,463.20
<b>Total Liabilities</b>		284,806.45	284,806.45
<b>NET POSITION</b>			
Unrestricted	2790	341,865.70	341,865.70
<b>Total Net Position</b>		341,865.70	341,865.70

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

**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2016**

	Account Number	Self-Insurance 711	Total Internal Service Funds
<b>OPERATING REVENUES</b>			
Premium Revenue	3484	3,123,727.11	3,123,727.11
<b>Total Operating Revenues</b>		3,123,727.11	3,123,727.11
<b>OPERATING EXPENSES</b>			
Purchased Services	300	2,862,960.80	2,862,960.80
Other	700	19,750.87	19,750.87
<b>Total Operating Expenses</b>		2,882,711.67	2,882,711.67
<b>Operating Income (Loss)</b>		241,015.44	241,015.44
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment Income	3430	145.48	145.48
<b>Total Nonoperating Revenues (Expenses)</b>		145.48	145.48
<b>Income (Loss) Before Operating Transfers</b>		241,160.92	241,160.92
<b>Change In Net Position</b>		241,160.92	241,160.92
Net Position, July 1, 2015	2880	100,704.78	100,704.78
Net Position, June 30, 2016	2780	341,865.70	341,865.70

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

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**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2016**

	Self-Insurance 711	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from interfund services provided	3,123,727.11	3,123,727.11
Payments for interfund services used	(2,882,711.67)	(2,882,711.67)
<b>Net cash provided (used) by operating activities</b>	241,015.44	241,015.44
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	145.48	145.48
<b>Net cash provided (used) by investing activities</b>	145.48	145.48
<b>Net increase (decrease) in cash and cash equivalents</b>	241,160.92	241,160.92
Cash and cash equivalents - July 1, 2015	100,704.78	100,704.78
Cash and cash equivalents - June 30, 2016	341,865.70	341,865.70

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

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**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**June 30, 2016**

	Account Number	School Internal Funds 891	Total Agency Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	1110	689,546.48	689,546.48
<b>Total Assets</b>		689,546.48	689,546.48
<b>Total Liabilities</b>		0.00	0.00

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

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**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**SCHOOL INTERNAL FUNDS 891**  
**June 30, 2016**

	Account Number	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
<b>ASSETS</b>					
Cash and Cash Equivalents	1110	356,000.40	1,032,374.04	698,827.96	689,546.48
<b>Total Assets</b>		356,000.40	1,032,374.04	698,827.96	689,546.48
<b>Total Liabilities</b>		0.00	0.00	0.00	0.00

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF TAYLOR COUNTY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)**  
**TOTAL AGENCY FUNDS**  
**June 30, 2016**

	Account Number	Total Agency Funds Balances July 1, 2015	Total Agency Funds Additions	Total Agency Funds Deductions	Total Agency Funds Balances June 30, 2016
<b>ASSETS</b>					
Cash and Cash Equivalents	1110	356,000.40	1,032,374.04	698,827.96	689,546.48
<b>Total Assets</b>		356,000.40	1,032,374.04	698,827.96	689,546.48
<b>Total Liabilities</b>		0.00	0.00	0.00	0.00

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